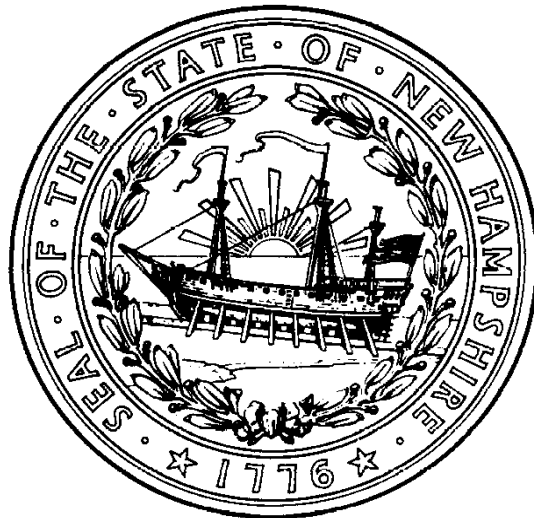


FISCAL COMMITTEE



**Meeting of January 23, 2015
9:30 a.m.
Room 210-211, LOB**



JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3161

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-3161

State of New Hampshire

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

January 15, 2015

To the Members of the Fiscal Committee
of the General Court

The Chairman of the Fiscal Committee of the General Court, as established by RSA 14:30-a, of which you are a member, has requested that you be notified that the Fiscal Committee will hold an organizational and regular business meeting on Friday, January 23, 2015, at 9:30 a.m. in Room 210-211 of the Legislative Office Building.

Please find attached information to be discussed at that meeting.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey A. Pattison".

Jeffrey A. Pattison
Legislative Budget Assistant

JAP/pe
Attachments

FISCAL COMMITTEE
AGENDA

Friday, January 23, 2015 in Room 210-211 of the Legislative Office Building

9:30 a.m.

- (1) Organization of Committee
- (2) Acceptance of Minutes of the November 10, 2014 and November 24, 2014 meetings

NOTE: ALL ITEMS LISTED ON THE AGENDA UNDER CONSENT CALENDAR ARE IN BOLD.

- (3) Old Business:

CONSENT CALENDAR

- (4) **RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from any Non-State Source:**

FIS 14-198 Department of Agriculture, Markets & Food – accept and expend \$273,101.12

FIS 14-199 Department of Environmental Services – authorize the Oil Fund Disbursement Board to budget and expend \$600,000 of prior year carry forward Fuel Oil Discharge Cleanup funds through June 30, 2015

FIS 14-200 Department of Environmental Services – accept and expend \$20,000,000

FIS 14-201 Department of Environmental Services – accept and expend \$369,000

FIS 14-202 Department of Safety – accept and expend \$1,107,723

FIS 14-208 Department of Agriculture, Markets & Food – accept and expend \$230,000

FIS 14-211 Department of Health and Human Services – authorization to retroactively accept and expend \$124,608 in federal funds for the period of September 1, 2014 through June 30, 2015

FIS 15-004 Department of Health and Human Services – accept and expend \$2,187,927.93

FIS 15-005 Department of Health and Human Services – accept and expend \$641,559

- (5) **RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from any Non-State Source and RSA 124:15 Positions Restricted:**

FIS 14-203 Department of Safety – authorization to 1) accept and expend \$143,881 in other funds through June 30, 2015 and further authorization to 2) establish consultant positions through June 30, 2015

FIS 15-001 Department of Health and Human Services – authorization to 1) accept and expend \$559,432 in federal funds through June 30, 2015 and subject to approval of #1, further authorization to 2) establish five full-time temporary positions consisting of: a Toxicologist IV (LG 29), a Toxicologist II (LG 23), a Public Health Program Manager (LG 26), a Program Specialist IV (LG 25), and a Toxicologist II (LG 23-to be hired in SFY 16) through June 30, 2015

FIS 15-002 Department of Health and Human Services – authorization to 1) accept and expend \$111,692 in federal funds through June 30, 2015 and subject to approval of #1, further authorization to 2) establish three full-time temporary positions consisting of: a Senior Management Analyst (LG 26), a Program Planner III-Data Analyst (LG 25), and a Program Planner III-Communication Specialist (LG 25) through June 30, 2015

(6) **RSA 124:15 Positions Restricted:**

FIS 15-006 Department of Justice – authorization to establish one (1) part-time temporary Program Specialist IV, Labor Grade 24, position through June 30, 2015

(7) **RSA 604-A:1-b Additional Funding:**

FIS 14-207 Judicial Council – authorization to receive \$270,000 in additional general funds from funds not otherwise appropriated through June 30, 2015

(8) **Chapter 144:117, Laws of 2013, Department of Information Technology; Transfers Among Accounts:**

FIS 14-209 Department of Information Technology – authorization to transfer \$312,103 in other funds through June 30, 2015

(9) **Miscellaneous:**

(10) **Informational Materials:**

LBAO Report on Additional Revenues for the Biennium Ending June 30, 2015 – Fiscal Committee Approvals through November 10, 2014 (RSA 14:30-a, VI and Chapter 224:14, II, Laws of 2011)

Joint Legislative Facilities Committee
Legislative Branch
Detail of Balance of Funds Available
Fiscal Year 2015
As of 12/30/14

FIS 14-195 Additional Information Department of Health and Human Services – Final Premium Assistance Waiver submitted to the Centers of Medicare and Medicaid Services (CMS) as approved by the Fiscal Committee November 10, 2014 (FIS 14-195)

FIS 14-204 Department of Health and Human Services – September 2014 Operating Statistics Dashboard report for the fiscal year ending June 30, 2015

FIS 14-205 Department of Health and Human Services – report of expenditures for the Child and Family Services account and Child Development (child care) Program for July 2014 through September 2014

FIS 14-206 Department of Revenue Administration – Chapter 143:15, Laws of 2013 – First and final quarterly report of general fund appropriation reductions for FY 2015

FIS 14-210 University System of New Hampshire – RSA 187-A:25-a – Annual Report for the University System of New Hampshire for fiscal year ended June 30, 2014

FIS 15-003 FIS New Hampshire Fish and Game Department – RSA 206:42 – Search and Rescue Quarterly Report of Expenditures for the period April 1, 2014 to June 30, 2014

FIS 15-007 State Treasury – RSA 6-B:2, VII – Quarterly report of the New Hampshire State Treasury for the periods ended June 30, 2014 and September 30, 2014

FIS 15-008 Department of Revenue Administration – RSA 21-J:45 – Quarterly Refund Report for the months of October through December 2014

10:00 a.m.

Audits:

State of New Hampshire
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2014

State of New Hampshire
Department of Transportation
Turnpike System
Annual Financial Report
For the Fiscal Year Ended June 30, 2014

New Hampshire Lottery Commission
A Department of The State of New Hampshire
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2014

State of New Hampshire
Department of Administrative Services
Annual Financial Report
Internal Service Fund
Fiscal Year 2014

2014 Annual Financial Report
New Hampshire State Liquor Commission
A Department Of The State Of New Hampshire

(11) Date of Next Meeting and Adjournment

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

November 10, 2014

The Fiscal Committee of the General Court met on Monday, November 10, 2014 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Mary Jane Wallner, Chair
Representative Ken Weyler, Clerk
Representative Bernard Benn (Alternate)
Representative Peter Leishman
Representative Daniel Eaton
Senator Jeanie Forrester, Vice Chair
Senator James Rausch (Alternate)
Senator David Boutin (Alternate)
Senator Sylvia Larsen

Chairman Wallner opened the meeting at 10:17 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Eaton, seconded by Senator Forrester, that the minutes of the September 26, 2014 meeting be accepted as written. MOTION ADOPTED

OLD BUSINESS:

FIS 13-081 Additional Information – request from the Members of the Joint Legislative Performance Audit and Oversight Committee, dated December 6, 2013, requesting that the proposed Police Standards and Training Council audit be removed from the table and voted on. (FIS 13-081 Letter from Representative Lucy McVitty Weber, Chairman of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the performance audit topics for 5) Police Standards and Training Council, The Council in Performance of its Charter. Tabled 03/08/13) No Action Taken.

FIS 14-120 Department of Education – authorization to establish one (1) full-time temporary Program Assistant II position for the period of August 8, 2014 through June 30, 2015, Held Over by Special Order July 25, 2014 and Tabled 09/26/14. No Action Taken.

FIS 14-130 Additional Information – letter of intent, dated September 10, 2014, to withdraw the pending hearing aid item as requested in FIS 14-130 Department of Health and Human Services - Pursuant to Chapter 3:2 (SB 413), Laws of 2014, request Committee approval of various state plan amendments for the NH Health Protection program; 1) submitting a further state plan amendment to remove non-emergency services from coverage under the Alternative Benefit Plan for the new adult group, and 2) request to add coverage for hearing aids for the new

adult group for those over age 21, as specified in the request dated July 22, 2014. Tabled 07/25/14. No Action Taken.

FIS 14-151 Additional Information – letter of intent, dated October 2, 2014, to withdraw request FIS 14-151 Department of Corrections – to 1) budget and expend \$308,923 in prior year balance forward federal funds through June 30, 2015, and 2) authorization to establish one (1) part-time temporary Administrator IV positions through June 30, 2015, which was Held Over by Special Order September 26, 2014. WITHDRAWN BY AGENCY.

FIS 14-153 Department of Education – Virginia Barry, Commissioner, Department of Education, spoke to the request, held over by special order September 26, 2014, and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request of the Department of Education to reclassify vacant Position #13164 from Administrator III, labor grade 31, to Executive Project Manager, labor grade 35. MOTION ADOPTED (8-Yes, 1-No)

NEW BUSINESS:

RSA 9:16-c, I, TRANSFER OF FEDERAL GRANT FUNDS:
CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 14-167 Department of Safety – transfer \$7,333]

RSA 9:16-c, I, TRANSFER OF FEDERAL GRANT FUNDS AND RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:
CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 14-173 Department of Safety – authorization to 1) transfer \$9,841 in federal funds through June 30, 2015 and 2) accept and expend \$114,682 in federal funds through June 30, 2015]

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:
CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 14-166 Board of Pharmacy – authorization to amend FIS 14-015, approved February 14, 2014, by reallocating

\$107,894.88 in other funds through March 31, 2015, FIS 14-176 Department of Justice – accept and expend \$370,000, FIS 14-177 Department of Justice – authorization to retroactively accept and expend \$449,443 in federal funds from the period of October 1, 2014 through June 30, 2015, FIS 14-178 Department of Safety – authorization to 1) accept and expend \$334,341 in federal funds through June 30, 2015, and 2) accept and expend \$959, 266 in federal funds through June 30, 2015, FIS 14-184 New Hampshire Fish and Game Department – accept and expend \$354,025, FIS 14-185 Department of Health and Human Services – accept and expend \$333,801, and FIS 14-186 Department of Justice – accept and expend \$866,833]

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 14-174 Insurance Department – authorization to 1) accept and expend \$398,777 in federal funds through June 30, 2015, and 2) establish consultant positions (Class 046) through June 30, 2015, and FIS 14-175 Department of Justice – authorization to 1) accept and expend \$106,177 in federal funds through June 30, 2015 and 2) establish consultant positions (Class 046) through June 30, 2015]

RSA 228:12, TRANSFERS FROM HIGHWAY SURPLUS ACCOUNT:

FIS 14-187 Department of Transportation – On a motion by Senator Forrester, seconded by Senator Boutin, that the Committee table the request of the Department of Transportation to transfer \$1,231,000 from Highway Surplus to fund the acquisition and outfitting of equipment through June 30, 2015.

A Roll Call was taken and the results were as follows:

Representative Eaton – No

Representative Leishman – No

Representative Weyler – Yes

Representative Benn – No

Senator Forrester – Yes

Senator Rausch – Yes

Senator Boutin – Yes

Senator Larsen – No

Representative Wallner – No

(4-Yes, 5-No) MOTION FAILED.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to transfer \$1,231,000 from Highway Surplus to fund the acquisition and outfitting of equipment through June 30, 2015.

Patrick McKenna, Deputy Commissioner, and Marie Mullen, Director of Finance, Department of Transportation, responded to questions of the Committee.

A Roll Call was taken to approve the request and the results were as follows:

Representative Eaton – Yes
Representative Leishman – No
Representative Weyler – No
Representative Benn – Yes
Senator Forrester – No
Senator Rausch – Yes
Senator Boutin – No
Senator Larsen – Yes
Representative Wallner – Yes

(5-Yes, 4-No) MOTION ADOPTED.

CHAPTER 3:7, II, LAWS OF 2014, DEPARTMENT OF HEALTH AND HUMAN SERVICES;
CONTRACTING; TRANSFER AMONG ACCOUNTS:

FIS 14-188 Department of Health and Human Services – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Health and Human Services to transfer \$663,356 in general funds between accounting units and class codes through June 30, 2015. MOTION ADOPTED.

FIS 14-189 Department of Health and Human Services – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Health and Human Services to transfer \$32,700,000 in general funds through June 30, 2015. MOTION ADOPTED.

CHAPTER 144:95, LAWS OF 2013, DEPARTMENT OF TRANSPORTATION; TRANSFER
OF FUNDS:

FIS 14-168 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request of the Department of Transportation to transfer and expend \$1,000 through June 30, 2015. MOTION ADOPTED.

FIS 14-179 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to establish various non-budgeted classes in various accounting units and to transfer \$326,000 between various accounts and classes through June 30, 2015. MOTION ADOPTED.

FIS 14-180 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to transfer \$66,000 within Turnpike Fund accounting units and classes through June 30, 2015. MOTION ADOPTED.

LATE ITEM:

FIS 14-195 Department of Health and Human Services – Jeffery Meyers, Assistant Commissioner, and Director of Intergovernmental Affairs, and Nicholas Toumpas, Commissioner, Department of Health and Human Services, presented the request and responded to questions of the Committee. Also present was Roger Sevigny, Commissioner, Department of Insurance.

The Committee recessed at 11:14 a.m. and reconvened at 11:30 a.m.

On a motion by Representative Leishman, seconded by Representative Eaton, that the Committee **amend as codified at RSA 126-A:5, XXIII-XXVI** and approve the request of the Department of Health and Human Services for approval of the waiver application for the implementation of the Premium Assistance Program under the NH Health Protection Program, as specified in the request dated November 7, 2014 . MOTION ADOPTED.

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the request as amend of the Department of Health and Human Services

A Roll Call was taken and the results were as follows:

Representative Eaton – Yes
Representative Leishman – Yes
Representative Weyler – No
Representative Benn – Yes
Senator Forrester – No
Senator Rausch – Yes
Senator Boutin – Yes
Senator Larsen – Yes
Representative Wallner – Yes

(7-Yes, 2-No) MOTION ADOPTED.

On a further motion by Representative Leishman, seconded by Representative Eaton, that the Committee authorizes the Department of Health and Human Services to make technical and administrative changes which are necessary to reflect the intent of this item as approved, reporting back to the Fiscal Committee all changes made under this approval. MOTION ADOPTED.

MISCELLANEOUS:

Jeffrey Pattison, Legislative Budget Assistant, requested authorization to release publicly the FY 2014 Comprehensive Annual Financial Report for the State of New Hampshire and the Lottery Commission; the FY 2014 Financial Statements for the Turnpike System, the Liquor Commission and the Employee Benefit Risk Management Fund; and the FY 2014 Annual Reports of the Unique College Investing Plan and The Fidelity Advisor 529 Plan, as they are available.

On a motion by Representative Eaton, seconded by Senator Forrester, that the Office of Legislative Budget Assistant release publicly the FY 2014 Comprehensive Annual Financial Report for the State of New Hampshire and the Lottery Commission; the FY 2014 Financial Statements for the Turnpike System, the Liquor Commission and the Employee Benefit Risk Management Fund; and the FY 2014 Annual Reports of the Unique College Investing Plan and The Fidelity Advisor 529 Plan, as they are available. MOTION ADOPTED.

Jeffrey Pattison, Legislative Budget Assistant, further requested approval to fill one (1) staff auditor position in the Office of Legislative Budget Assistant, Audit Division, and one (1) assistant budget analyst position in the Office of Legislative Budget Assistant, Budget Office.

On a motion by Representative Eaton, seconded by Representative Benn, that the Committee approve the request of the Office of Legislative Budget Assistant to fill one (1) staff auditor position in the Office of Legislative Budget Assistant, Audit Division, and one (1) assistant budget analyst position in the Office of Legislative Budget Assistant, Budget Office. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 14-193 National State Auditors Association – Stephen Smith, Director, Audit Division Office of Legislative Budget Assistant spoke to the review of the system of quality control of the State of New Hampshire, Office of Legislative Budget Assistant in effect for the period July 1, 2013 through June 30, 2014 and responded to questions of the Committee.

The informational items were accepted and placed on file.

10:30 A.M. AUDITS:

State of New Hampshire, Department of Justice, Financial Audit Report For The Nine Months Ended March 31, 2014 – Stephen Smith, Director of Audits, and Christine Young, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Joseph Foster, Attorney General, Ann Rice, Deputy Attorney General, and Rosemary Faretra, Director of Finance, Department of Justice were present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Eaton, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Department of Transportation, Fleet Management, Performance Audit Report, November 2014 – Stephen Fox, Performance Audit Supervisor, and Vilay Sihabouth, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Patrick McKenna, Deputy Commissioner, and William Janelle, Director of Operations, Department of Transportation were present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Eaton, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Department of Safety, Statewide Radio Interoperability, Performance Audit Report, November 2014 – Stephen Smith, Director of Audits, and Steven Grady, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. John Barthelmes, Commissioner, and Colonel Robert Quinn, Director, Division of State Police, Department of Safety were present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Eaton, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT

The next regular meeting of the Fiscal Committee will be at the Call of The Chair. (Whereupon the meeting adjourned at 1:04 p.m.)

Representative Ken Weyler, Clerk

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

November 24, 2014

The Fiscal Committee of the General Court met on Monday, November 24, 2014 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Mary Jane Wallner, Chair
Representative Ken Weyler, Clerk
Representative Sharon Nordgren (Alternate)
Representative Peter Leishman
Representative Daniel Eaton
Senate President Chuck Morse
Senator Sylvia Larsen
Senator Andy Sanborn
Senator John Reagan (Alternate)
Senator Jeb Bradley (Alternate)

Chairman Wallner opened the meeting at 10:04 a.m.

NEW BUSINESS:

RSA 9:16-b REDUCTIONS AUTHORIZED:

FIS 14-197 Office of the Governor – Her Excellency, Governor Margaret Wood Hassan presented the request and responded to questions of the Committee. Meredith Telus, Budget Director, Office of The Governor was also present to respond to questions of the Committee.

On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Office of The Governor for “an order directing a reduction in Executive Branch expenditures,” as specified in Executive Order #2014-9. MOTION ADOPTED.

RSA 124:15 POSITIONS RESTRICTED:

FIS 14-196 Office of the Governor – Pamela Walsh, Chief of Staff, Office of The Governor, presented the request and responded to questions of the Committee.

On a motion by Representative Weyler, seconded by Senator Sanborn, that the Committee amend the request of the Office of The Governor by adding a bullet on page 3 with the requirement that each of the mental health and abuse disorder practitioners’ program receiving money from the State submit a record of five years’ experience of the efficacy of their treatment programs. MOTION FAILED. (4-Yes, 6-No)

Representative Eaton moved approval of the original item, with an amendment proposed by Senator Bradley, seconded by Representative Weyler, that the Committee approve the request of the Office of The Governor to create a new non-classified Senior Behavioral Health Coordinator position through June 30, 2015 with the stipulation that the Fiscal Committee would approve subsequent to the budget approving the position, expenditure of the funds. MOTION FAILED. (5-Yes, 5-No)

On a motion by Representative Eaton, seconded by Senator Larsen, that the Committee approve the original request of the Office of The Governor to create a new non-classified Senior Behavioral Health Coordinator position through June 30, 2015. MOTION ADOPTED. (9-Yes, 1-No)

ADJOURNMENT:

The Committee meeting adjourned at 10:59 a.m.

Representative Ken Weyler, Clerk

New Hampshire
 Department of Agriculture,
 Markets & Food

Lorraine S. Merrill, Commissioner

October 27, 2014

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, New Hampshire 03301

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

Dear Governor Hassan and Honorable Council:

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI the New Hampshire Department of Agriculture, Markets & Food, Division of Agricultural Development (DAMF) respectfully requests authorization to accept and expend grant funds from the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) in the amount of \$273,101.12 for the period of Fiscal Committee and Governor and Council approval through June 30, 2015. 100% Federal Funds.

Funds to be budgeted into account as follows:

02-18-18-185010-70380000 SPECIALTY CROP BLOCK GRANT #12-SCBGP-NH-0033

OBJECT

<u>CLASS</u>	<u>ACCOUNT</u>	<u>FY 2015</u>
040-500800	Indirect costs	\$ 21,575.00
041-500801	Audit Fund Set aside	273.00
072-500575	Grants Federal	<u>251,253.12</u>
	Total	\$273,101.12
<u>Revenue</u>		
000-403801	Federal Funds	\$273,101.12

EXPLANATION

The New Hampshire Department of Agriculture, Markets & Food, and Division of Agricultural Development (DAMF) have been awarded a grant from the United States Department of Agriculture (USDA) Agricultural Marketing Service (AMS) Specialty Crop Block Grant Program to fund nine specific projects. The projects were solicited through the RFP process and submitted for review by USDA, Agricultural Marketing Service as part of a New Hampshire state application. USDA, AMS approved the NH State Plan and all of the included projects.

United States Department of Agriculture
Agricultural Marketing Service
AGREEMENT FACE SHEET

1. Accounting Code: 14142501DB62TMD3400RTM02NH		2. Vendor I.D. (EIN): 02-6000618		3. DUNS Number: 176836583	
4. Agreement Number: 14-SCBGP-NH-0033		Amendment Number:		5. Type of Instrument: Grant	
6. CFDA Number: 10.170					
7. Title of Agreement: New Hampshire Department of Agriculture, Markets and Food Specialty Crop Block Grant Program – Farm Bill Activities.					
8. Objective: To solely enhance the competitiveness of New Hampshire specialty crops.					
9. Statement of Work: This agreement shall be carried out by the organizational units or officials of the Federal Agency and the Grantee in the manner and subject to the conditions provided in the Specialty Crop Block Grant Program – Farm Bill General Awards Terms and Conditions attached hereto and made a part of this agreement.					
10. Legal Authority: Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note) of Public Law 108-465; amended under section 10010 of the Agricultural Act of 2014, Public Law 113-79; 7 CFR Part 1291 (published March 27, 2009; 74 FR 13313); and Section 713 of Title VII (General Provisions) of Division A of Public Law 108-7.					
11. Federal Agency (Name and Address): Specialty Crop Block Grant Program – Farm Bill Agricultural Marketing Service United States Department of Agriculture Washington, DC 20250			12. Grantee: New Hampshire Department of Agriculture, Markets and Food Concord, NH 03302		
13. Federal Agency Project Manager: John Miklozek, Acting Program Manager Telephone: (202) 720-1403 Email: John.Miklozek@ams.usda.gov			14. Grantee Project Coordinator: Gail McWilliam-Jellie, Director Telephone: (603) 271-3788 Email: gail.mcwilliam.jellie@agr.nh.gov		
15. Period of Performance: 9/30/2014 through 9/29/2017		16. Federal Agency Funding Amount: \$273,101.12		Non-Federal Matching Amount: N/A	
PROVISIONS					
This Grant Award incorporates the following:					
<ol style="list-style-type: none"> The Approved State Plan, Approved Award Budget, and any amendments thereto – incorporated by reference \$ 316.68 is reallocated to the State Agency and shall be expended on projects in the referenced State plan. The reallocated amount is reflected in block 16. Federal Agency Funding Amount. The State Agency shall submit to the Federal Agency a written request for prior approval if the reallocated funding results in changes that require prior approval in accordance with section 8.0 of the Specialty Crop Block Grant Program-Farm Bill General Awards Terms and Conditions (4/2014). The State Agency will complete activities outlined in the approved State plan hereby entitled New Hampshire Department of Agriculture, Markets and Food Fiscal Year 2014 Specialty Crop Block Grant Program – Farm Bill Application dated, 7/3/2014 Specialty Crop Block Grant Program – Farm Bill General Award Terms and Conditions (4/2014) – incorporated by reference and can be found at: http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5106965 7 CFR Part 3015, 7 CFR Part 3016, 7 CFR Part 3019, and 7 CFR 3052 – incorporated by reference Grant funds received under this award shall supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds. The obligation of funds may be terminated without further cause unless the grantee commences the timely drawdown of funds; initial drawdown must be made within the first year of the grant period. 					
FOR THE UNITED STATES DEPARTMENT OF AGRICULTURE					
This agreement, subject to the provisions above, shall constitute an obligation of funds on behalf of the Government, unless amended or terminated by mutual consent of the parties in writing, or terminated by either party upon 60 days notice in writing.					
17. Federal Agency Representative Approval:			18. Grantee Representative Approval (Please Print):		
 <p align="center">ARTHUR NEAL</p> <small>Digitally signed by ARTHUR NEAL DN: cn=US, o=U.S. Government, ou=Department of Agriculture, cn=ARTHUR NEAL, 0.9.2342.19200300.100.1.1=12001000408958 Date: 2014.09.22 15:48:32 -04'00'</small>			Name: <i>Lorraine S. Merrill</i>		
Deputy Administrator Agricultural Marketing Service			Title: <i>Commissioner</i>		
19. Grantee Representative Approval Signature:				Date:	
				<i>10-8-14</i>	

Paperwork Burden Statement

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0581-0248. Public reporting burden for this collection of information is estimated to average 2 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0581-0248), Washington, DC 20503.

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The State of New Hampshire
Department of Environmental Services



Thomas S. Burack, Commissioner

Rep. Leigh A. Webb, Chairman

Oil Fund Disbursement Board

October 27, 2014

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 and

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Oil Fund Disbursement Board (Board) to budget and expend prior year carry forward funds under the provisions of RSA 146-E:3, I, in the amount of \$600,000 for purposes of fuel oil discharge cleanup effective upon Fiscal Committee and Governor and Council approval through June 30, 2015. 100% Fuel Oil Discharge Cleanup funds.

Funding to be budgeted as follows.

Fuel Oil Discharge Cleanup Fund
03-44-44-444010-14180000
FY 2015

Object Class		Current Budget	Requested Action	Revised Budget
Income				
009-407482	Agency Income	(\$1,550,000)	(\$600,000)	(\$2,150,000)
Expenditures				
300-500830	Reimbursements	\$1,550,000	\$600,000	\$2,150,000

The Fuel Oil Discharge Cleanup (FOD) Fund was established in 1993 under RSA 146-E for reimbursement of contamination cleanup costs incurred by fuel oil storage tank facility owners, including homeowners, businesses, local governments, counties and schools. Fuel oil contamination is a risk to public health and the environment, and under RSA 146-A, storage tank facility owners are strictly liable for cleanup costs. Typical insurance policies do not provide cleanup cost coverage. The FOD Fund, which is funded through an import fee on fuel oil, provides coverage so facility owners do not face significant and unplanned financial hardship. In addition, the FOD Fund is available to low-income homeowners for replacement of substandard storage tank systems. The "Safetank" program,



The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

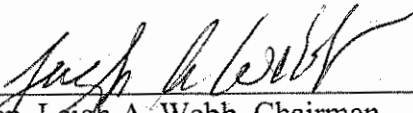
Her Excellency, Governor Margaret Wood Hassan
And the Honorable Council
Page 2

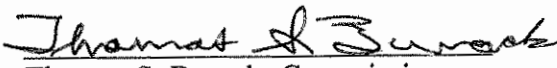
which provides up to \$1,500 for tank replacement, has been very successful in preventing leaks and thus avoiding significantly greater contamination cleanup costs.

The budget increase requested herein will be used to pay cleanup cost reimbursement claims from owners of facilities/contaminated properties, and to pay for Safetank replacements. The current FY 2015 budget was based on best available information at the time of biennium budget development. Budgets are developed in consideration of planned projects and contingencies, and maintaining a minimum fund balance for unanticipated work and long term project planning. Thus, from year-to-year, cleanup projects and Safetank replacements may be delayed until funds become available. FY 2014 carry-forward funds were greater than anticipated, and FY 2015 revenues will be greater than currently budgeted, which allows an additional \$600,000 to be made available in Class 300 Reimbursements. This will provide funding for various cleanup projects and Safetank replacements that are currently on a wait list.

On behalf of the Board, the Department of Environmental Services approves all contamination cleanup and Safetank work in advance for both scope and cost, and eligible applicants may request payment when work is completed. Applications are reviewed in accordance with applicable rules and regulations adopted by the Board under N.H. Administrative Rule Odb 400.

We respectfully request your approval.


Rep. Leigh A. Webb, Chairman
Oil Fund Disbursement Board


Thomas S. Burack, Commissioner
Dept. of Environmental Services

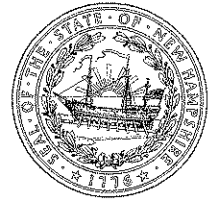
Department of Environmental Services
Oil Fund Disbursement Board
Supplemental Information

Fuel Oil Discharge Cleanup Fund
03-44-44-444010-14180000

	<u>FY 2015</u>
Balance carried forward July 1	\$ 1,617,401
Revenue Received Thru 9/30/14	281,283
Estimated income to be received	<u>2,318,717</u>
Available	\$ 4,217,401
Less current budget	<u>(1,550,000)</u>
Available to budget	\$ 2,667,401
Less current request	<u>(600,000)</u>
Available Balance	\$ 2,067,401



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

October 27, 2014

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Environmental Services to accept and expend federal funds in the amount of \$20,000,000 for wastewater treatment system low interest loans to municipalities, effective upon Fiscal Committee and Governor & Council approval through June 30, 2015. 100% Clean Water State Revolving Fund (Federal). Funding is to be budgeted as follows:

Clean Water SRF Loan Account
 03-44-44-441018-2003
 FY 2015

Object Class	Title	Current Budget	Requested Action	Revised Budget
Income				
000-404839	CW SRF Loans	(\$15,000,000)	(\$20,000,000)	\$ (35,000,000)
Expenditures				
301-500832	CW SRF Loans	\$ 15,000,000	\$ 20,000,000	\$ 35,000,000

EXPLANATION

The purpose of this request is to budget additional federal funds in the Clean Water State Revolving Loan Fund (CWSRF) to provide low interest loans to municipalities for wastewater treatment and other water pollution control measures. Federal Capitalization Grants are the source of the funds. The present budgeted amount was estimated to be sufficient for the Fiscal Year; however, an unanticipated increase in disbursement requests has resulted in funds being disbursed at an earlier date than previously anticipated. Currently there is only \$3.6 million available of the original \$15 million appropriation.

DES Web site: www.des.nh.gov

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095

Telephone: (603) 271-3503 • Fax: (603) 271-2982 • TDD Access: Relay NH 1-800-735-2964

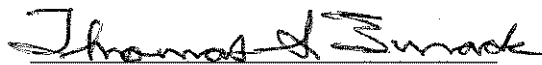
The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council

Page 2 of 2

At this time there are multiple large scale wastewater improvement projects underway with estimated costs totaling over \$45 million, including those in Manchester, Newmarket, Lebanon, Keene, Nashua, and Conway that are being funded with CWSRF funds. It is currently anticipated that those municipalities will be requesting approximately \$20 million in disbursements before the end of this fiscal year.

It is anticipated that this action will budget sufficient funds in Class 301 – Loans to process all loan disbursement requests for eligible projects through June 30, 2015.

We respectfully request your approval.


Thomas S. Burack
Commissioner

Department of Environmental Services
Fiscal Situation
Clean Water SRF Loan Account
03-44-44-441018-2003
FY 2015

Total Federal Awards	\$56,233,000
Less Expenditures thru 6/30/14	<u>\$11,702,673</u>
Remaining Authorization to Budget	\$44,530,327
Less Current FY15 Budget Authorization	<u>\$15,000,000</u>
Total Available for Budgeting	\$29,530,327
REQUESTED ACTION	<u>\$20,000,000</u>
Available to Budget at a Later Date	\$9,530,327

<u>Grant Award Number</u>	<u>Award Amount</u>	<u>Expenses to 6/30/14</u>	<u>Balance</u>
CS330001-11	\$14,757,000	\$11,702,673	\$3,054,327
CS330001-12	\$14,123,000	\$0	\$14,123,000
CS330001-13	\$13,342,000	\$0	\$13,342,000
CS330001-14	<u>\$14,011,000</u>	<u>\$0</u>	<u>\$14,011,000</u>
	\$56,233,000	\$11,702,673	\$44,530,327



U.S. ENVIRONMENTAL PROTECTION AGENCY

Grant Agreement

ASSISTANCE ID NO.

PRG	DOC ID	AMEND#
CS -	33000111	- 0

DATE OF AWARD
09/21/2011

TYPE OF ACTION
New

MAILING DATE
09/28/2011

PAYMENT METHOD:
ASAP

ACH#
10108

RECIPIENT TYPE:
State

Send Payment Request to:
U.S. EPA Las Vegas Finance Center
P.O. Box 98515
Las Vegas, NV 89193-8515
Tel: (702) 798-2406
Fax: (702) 798-2423
<http://www.epa.gov/ocfo/finservices/payinfo.htm>

RECIPIENT:
New Hampshire D.E.S.
29 Hazen Drive, P.O. Box 95
Concord, NH 03302-0095
EIN: 02-6000618

PAYEE:
New Hampshire D.E.S.
29 Hazen Drive, P.O. Box 95
Concord, NH 03302-0095

PROJECT MANAGER

Paul L. Heirtzler, P.E., Esq
29 Hazen Drive, P.O. Box 95
Concord, NH 03302-0095
E-Mail: paul.heirtzler@des.nh.gov
Phone: 603-271-2001

EPA PROJECT OFFICER

James Bourne
5 Post Office Square, Suite 100, OEP06-3
Boston, MA 02109-3912
E-Mail: Bourne.James@epamail.epa.gov
Phone: 617-918-1610

EPA GRANT SPECIALIST

Brian Tocci
Grants Management Office, OARM16-2
E-Mail: Tocci.Brian@epamail.epa.gov
Phone: 617-918-1979

PROJECT TITLE AND DESCRIPTION

New Hampshire Water Pollution Control Revolving Loan Fund
This is a Federal Fiscal Year 2011 Clean Water Act Revolving Fund (CWSRF) grant to the State of New Hampshire, Department of Environmental Services, under Title VI of the Clean Water Act (CWA). It provides a source of financing for the construction of wastewater treatment facilities and estuary projects throughout the State of New Hampshire. The purpose of the CWSRF and the projects funded is to protect and improve water quality.

BUDGET PERIOD

09/01/2011 - 09/01/2021

PROJECT PERIOD

09/01/2011 - 09/01/2021

TOTAL BUDGET PERIOD COST

\$17,708,400.00

TOTAL PROJECT PERIOD COST

\$17,708,400.00

NOTICE OF AWARD

Based on your application dated 08/02/2011, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$14,757,000. EPA agrees to cost-share 83.33% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$14,757,000. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)

ORGANIZATION / ADDRESS

EPA New England
5 Post Office Square, Suite 100
Boston, MA 02109-3912

AWARD APPROVAL OFFICE

ORGANIZATION / ADDRESS

U.S. EPA, EPA New England
5 Post Office Square, Suite 100
Boston, MA 02109-3912

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL

Digital signature applied by EPA Award Official

TYPED NAME AND TITLE

Frederick Weeks, Acting Director, Office of Administration & Resource Management

DATE

09/21/2011

AFFIRMATION OF AWARD

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE



Susan Carlson

TYPED NAME AND TITLE


Susan A. Carlson, Chief Operations Officer

DATE

9/20/11

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement	GRANT NUMBER (FAIN): 33000112	DATE OF AWARD 06/05/2012
		MODIFICATION NUMBER: 0	
		PROGRAM CODE: CS	MAILING DATE 06/12/2012
		TYPE OF ACTION New	ACH# 10108
RECIPIENT TYPE: State	PAYMENT METHOD: ASAP		
RECIPIENT: New Hampshire D.E.S. 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095 EIN: 02-6000618	Send Payment Request to: U.S. EPA Las Vegas Finance Center 4220 South Maryland Parkway, Building C, Room 503 Las Vegas, NV 89119 Tel: (702) 798-2406 Fax: (702) 798-2423 http://www.epa.gov/ocfo/finservices/payinfo.htm		
PROJECT MANAGER Paul L. Heirtzler 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095 E-Mail: paul.heirtzler@des.nh.gov Phone: 603-271-2001	EPA PROJECT OFFICER James Bourne 5 Post Office Square, Suite 100, OEP06-3 Boston, MA 02109-3912 E-Mail: Bourne.James@epamail.epa.gov Phone: 617-918-1610	EPA GRANT SPECIALIST Brian Tocci Grants Management Office, OARM16-2 E-Mail: Tocci.Brian@epamail.epa.gov Phone: 617-918-1979	
PROJECT TITLE AND DESCRIPTION Fiscal Year 2012 New Hampshire Clean Water State Revolving Fund Cap Grant This is a Federal Fiscal Year 2012 Clean Water Act Revolving Fund (CWSRF) grant to the State of New Hampshire, Department of Environmental Services, under Title VI of the Clean Water Act (CWA). It provides a source of financing for the construction of wastewater treatment facilities and estuary projects throughout the State of New Hampshire. The purpose of the CWSRF and the projects funded is to protect and improve water quality.			
BUDGET PERIOD 06/01/2012 - 06/01/2019	PROJECT PERIOD 06/01/2012 - 06/01/2019	TOTAL BUDGET PERIOD COST \$16,947,600.00	TOTAL PROJECT PERIOD COST \$16,947,600.00
NOTICE OF AWARD			
Based on your application dated 05/09/2012, including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA), hereby awards \$14,123,000. EPA agrees to cost-share 83.33% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$14,123,000. Such award may be terminated by EPA without further cause if the recipient fails to provide timely affirmation of the award by signing under the Affirmation of Award section and returning all pages of this agreement to the Grants Management Office listed below within 21 days after receipt, or any extension of time, as may be granted by EPA. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.			
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)		AWARD APPROVAL OFFICE	
ORGANIZATION / ADDRESS EPA New England 5 Post Office Square, Suite 100 Boston, MA 02109-3912		ORGANIZATION / ADDRESS U.S. EPA, Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912	
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY			
Digital signature applied by EPA Award Official Michael Kenyon - Director, Office of Administration & Resource Management			DATE 06/05/2012
AFFIRMATION OF AWARD			
BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION			
SIGNATURE 	TYPED NAME AND TITLE Susan A. Carlson, Chief Operations Officer		DATE 6.18.12

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement	GRANT NUMBER (FAIN): 33000113 MODIFICATION NUMBER: 0 PROGRAM CODE: CS	DATE OF AWARD 08/14/2013
		TYPE OF ACTION New	MAILING DATE 08/21/2013
		PAYMENT METHOD: ASAP	ACH# 10108
		RECIPIENT TYPE: State	
RECIPIENT: New Hampshire D.E.S. 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095 EIN: 02-6000618		PAYEE: New Hampshire D.E.S. 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095	
PROJECT MANAGER Paul Heirtzler 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095 E-Mail: paul.heirtzler@des.nh.gov Phone: 603-271-2001		EPA PROJECT OFFICER James Bourne 5 Post Office Square, Suite 100, OEP06-3 Boston, MA 02109-3912 E-Mail: Bourne.James@epamail.epa.gov Phone: 617-918-1610	
EPA GRANT SPECIALIST Brian Tocci Grants Management Office, OARM16-2 E-Mail: Tocci.Brian@epamail.epa.gov Phone: 617-918-1979			
PROJECT TITLE AND DESCRIPTION Fiscal Year 2013 New Hampshire Clean Water State Revolving Fund Capitalization Grant This is a Federal Fiscal Year 2013 Clean Water Act Revolving Fund (CWSRF) grant to the State of New Hampshire, Department of Environmental Services, under Title VI of the Clean Water Act (CWA). It provides a source of financing for the construction of wastewater treatment facilities and eligible nonpoint source and estuary projects throughout the State of New Hampshire. The purpose of the CWSRF and the projects funded is to protect and improve water quality.			
BUDGET PERIOD 10/01/2013 - 09/30/2020	PROJECT PERIOD 10/01/2013 - 09/30/2020	TOTAL BUDGET PERIOD COST \$16,010,400.00	TOTAL PROJECT PERIOD COST \$16,010,400.00
NOTICE OF AWARD			
Based on your Application dated 07/26/2013 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$13,342,000. EPA agrees to cost-share 83.33% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$13,342,000. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.			
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)		AWARD APPROVAL OFFICE	
ORGANIZATION / ADDRESS EPA New England 5 Post Office Square, Suite 100 Boston, MA 02109-3912		ORGANIZATION / ADDRESS U.S. EPA, Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912	
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY			
Digital signature applied by EPA Award Official for Michael Kenyon - Director, Office of Administration & Resource Management Fred Weeks - Award Official delegate			DATE 08/14/2013

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement		GRANT NUMBER (FAIN): 33000114 MODIFICATION NUMBER: 0 PROGRAM CODE: CS	DATE OF AWARD 08/11/2014	
			TYPE OF ACTION New		MAILING DATE 08/18/2014
			PAYMENT METHOD: ASAP		ACH# 10108
			RECIPIENT TYPE: State		
RECIPIENT: New Hampshire D.E.S. 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095 EIN: 02-6000618			PAYEE: New Hampshire D.E.S. 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095		
PROJECT MANAGER Paul Heirtzler 29 Hazen Drive, P.O. Box 95 Concord, NH 03302-0095 E-Mail: paul.heirtzler@des.nh.gov Phone: 603-271-2001		EPA PROJECT OFFICER James Bourne 5 Post Office Square, Suite 100, OEP06-2 Boston, MA 02109-3912 E-Mail: Bourne.James@epamail.epa.gov Phone: 617-918-1610		EPA GRANT SPECIALIST Brian Tocci Grants Management Office, OARM16-2 E-Mail: Tocci.Brian@epa.gov Phone: 617-918-1979	
PROJECT TITLE AND DESCRIPTION Fiscal Year 2014 New Hampshire Clean Water State Revolving Fund Capitalization Grant This is a Federal Fiscal Year 2014 Clean Water Act Revolving Fund (CWSRF) grant to the State of New Hampshire, Department of Environmental Services, under Title VI of the Clean Water Act (CWA). It provides a source of financing for the construction of wastewater treatment facilities and eligible nonpoint source and estuary projects throughout the State of New Hampshire. The purpose of the CWSRF and the projects funded is to protect and improve water quality.					
BUDGET PERIOD 10/01/2014 - 09/30/2021		PROJECT PERIOD 10/01/2014 - 09/30/2021		TOTAL BUDGET PERIOD COST \$16,813,200.00	
				TOTAL PROJECT PERIOD COST \$16,813,200.00	
NOTICE OF AWARD					
Based on your Application dated 07/24/2014 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$14,011,000. EPA agrees to cost-share 83.33% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$14,011,000. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA statutory provisions. The applicable regulatory provisions are 40 CFR Chapter 1, Subchapter B, and all terms and conditions of this agreement and any attachments.					
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)			AWARD APPROVAL OFFICE		
ORGANIZATION / ADDRESS EPA New England 5 Post Office Square, Suite 100 Boston, MA 02109-3912			ORGANIZATION / ADDRESS U.S. EPA, Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912		
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY					
Digital signature applied by EPA Award Official for Michael Kenyon - Director, Office of Administration & Resource Management Fred Weeks - Award Official delegate					DATE 08/11/2014



FIS 14 201

The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

November 7, 2014

The Honorable Mary Jane Wallner, Chairperson
Fiscal Committee of the General Court
State House
Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
and The Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a:VI, authorize the New Hampshire Department of Environmental Services (DES) to accept and expend federal funds in the amount of \$369,000 from the United States Department of Agriculture (USDA), Natural Resources Conservation Service (NRCS) to help complete safety assessments of 18 dams and a supplemental watershed plan/environmental evaluation for one dam, effective upon Fiscal Committee and Governor & Council approval through June 30, 2015. Funds are to be budgeted as follows:

**Dam Assessment and Rehabilitation
03-044-442010-5421
FY 2015**

Class	Title	Current Budget	Requested Action	Revised Budget
Income				
000-404222	Federal Funds	(\$ 33,759.00)	(\$369,000.00)	(\$402,759.00)
Expenditures				
040-500800	Indirect Costs	\$ 1,246.00	\$ 1,301.00	\$ 2,547.00
041-500801	Audit Fund Set Aside	\$ 0.00	\$ 369.00	\$ 369.00
042-500620	Additional Fringe Benefits	\$ 1,847.00	\$ 665.00	\$ 2,512.00
050-500109	Personnel Full-Time Temp	\$ 0.00	\$ 10,000.00	\$ 10,000.00
059-500117	Salary Temporary Employees	\$ 17,588.00	\$ 0.00	\$ 17,588.00
060-500601	Benefits	\$ 12,078.00	\$ 5,150.00	\$ 17,228.00
070-500705	In-State Travel	\$ 500.00	\$ 560.00	\$ 1060.00
080-500716	Out-of-State Travel	\$ 500.00	\$ 0.00	\$ 500.00
102-500731	Contracts for Program Services	\$ 0.00	\$350,955.00	\$350,955.00
	Total Expenditures	\$ 33,759.00	\$369,000.00	\$402,759.00

DES Web Site: www.des.nh.gov

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095
Telephone: (603) 271-3503 Fax: (603) 271-2867 TDD Access: Relay NH 1-800-735-2964

EXPLANATION

The USDA NRCS (formerly Soil Conservation Service) constructed 23 flood retarding dams in New Hampshire in the 1960s and early 1970s. Immediately following construction, the New Hampshire Water Resources Board (now DES) took ownership of these structures, and is responsible for operations and maintenance. In 2000, Congress passed legislation that authorized the NRCS to provide technical and cost-share assistance for rehabilitation of these and other dams throughout the United States that were originally constructed under USDA water resource programs.

DES has identified 18 flood retarding dams, the conditions of which are such that remedial action may be necessary to ensure that these dams can continue to safely provide flood control for the communities. The conditions of these dams do not pose any immediate threat, but detailed inspections and structural analyses are necessary to assess whether the dams meet current dam safety standards. NRCS hydrologic and geotechnical criteria have become more stringent, and advancements in technology since the 1960s (when these dams were designed) have provided improved methods for hydrologic analyses, which result in a more realistic estimate of the flood flows at these structures.

The funding from the NRCS will be used to complete the assessments of each of these 18 dams, including hydrologic analyses; safety inspections; and seepage, stability and seismic evaluations. These assessments will allow the NRCS to prioritize the need for rehabilitation at these dams, for possible future funding assistance of the actual construction work.

The dams to be studied are:

- Jericho Lake, Berlin, Dam No. 024.14 (High Hazard)
- Gunnerson Lake (Sugar Site D2), Goshen, Dam No. 095.25 (High Hazard)
- Souhegan Site 8 (James AG Putnam), Lyndeborough, Dam No. 147.28 (High Hazard)
- Souhegan Site 33, Wilton, Dam No. 254.34 (High Hazard)
- Souhegan Site 13, New Ipswich, Dam No. 175.20 (Low Hazard)
- Baker Site 11, Wentworth, Dam No. 249.13 (Significant Hazard)
- Baker Site 11A, Wentworth, Dam No. 249.14 (Significant Hazard)
- Baker Site 6, Wentworth, Dam No. 249.01 (Significant Hazard)
- Souhegan Site 10A, Wilton, Dam No. 254.33 (High Hazard)
- Souhegan Site 15, Wilton, Dam No. 254.30 (Significant Hazard)
- Souhegan Site 19, New Ipswich, Dam No. 175.19 (High Hazard)
- Souhegan Site 25B, Wilton, Dam No. 234.12 (High Hazard)
- Souhegan Site 26, Wilton, Dam No. 234.08 (High Hazard)
- Souhegan Site 35, New Ipswich, Dam No. 175.21 (High Hazard)
- Souhegan Site 12-A South, Temple, Dam No. 234.11 (High Hazard)
- Souhegan Site 12-A North, Temple, Dam No. 234.16 (High Hazard)
- Souhegan Site 28, Lyndeborough, Dam No. 147.26 (Significant Hazard)
- Cold River Site 1 (Basin Brook Dam), Chatham, Dam No. 043.04 (High Hazard)

In addition to the 18 dam assessments, DES will contract with an engineering firm to prepare a supplemental watershed plan/environmental evaluation for the Baker River Site 8 Dam (Dorchester, Dam No. 066.08, High Hazard). DES has already completed an assessment of that dam with previous funding from NRCS. That assessment indicated that modifications to the dam are needed to meet current dam safety standards. The consultant will prepare the supplemental watershed plan/environmental evaluation of the proposed modifications to support future funding for the actual rehabilitation of this dam.

DES is requesting to budget the new grant award as follows:

Class 40 Indirect Costs and Class 41 Audit Set-Aside are being increased by \$1,301 and \$369, respectively, to meet the state's guidelines for charges applicable to these classes.

Class 50 Personal Services is being increased by \$10,000. This money will not be used for new positions. These funds are available in support of the expanded project beyond the original budget scope. Employee support from another DES organization unit will be used to administer the program. These funds will be used to supplant funding of the following position, which is currently budgeted:

Postion #	Title	Budget Account 03-44-44-442010	Funding	Amount
43236	Civil Engineer VI	3800-010	100% General	\$10,000

Class 42 Additional Fringe Benefits and Class 60 Benefits are being increased by \$665 and \$5,150, respectively, to cover the costs of benefits of the DES personnel managing the project.

Class 70 In-state Travel is being increased by \$560 to cover the costs for travel to and from the dams to perform the inspections.

Class 102 Contract For Program Services is being increased by \$350,955 to cover the costs of a contract with an engineering firm for engineering services.

We respectfully request your approval.


Thomas S. Burack, Commissioner

**DAM ASSESSMENT
FISCAL SITUATION FY 2015
03-44-44-442010-5421**

Total Federal Awards	\$ 569,000
Less Expenditures thru 6/30/14	\$ 32,617
Remaining Authorization to Budget	<u>\$ 536,383</u>
Less Current FY'15 Budget Authorization	\$ 33,759
Total Available for Budgeting	<u>\$ 502,624</u>
REQUESTED ACTION	<u>\$ 369,000</u>
Available to Budget at a later date	<u>\$ 133,624</u>

<u>Grant Award Number</u>	<u>Award Amount</u>	<u>Expenses to 6/30/14</u>	<u>Balance</u>
NA13NOS4190142	\$ 200,000	\$ 32,617	\$ 167,383
NRCS 6914281402	<u>369,000</u>	<u>-</u>	<u>\$ 369,000</u>
TOTAL	\$ 569,000	\$ 32,617	\$ 536,383

NOTICE OF GRANT AND AGREEMENT AWARD

1. Award Identifying Number 69-1428-14-02		2. Amendment No. 1	3. Award/Project Period Upon date of final sig - 10/31/2016	4. Type of Award Instrument Cooperative
5. Agency: Natural Resources Conservation Service (NRCS) (Name and Address) NRCS 2 Madbury Rd. Durham, NH 03824			6. Recipient Organization: (Name and Address) NH Department of Environmental Services 29 Hazen Dr Concord, NH 03301-6510	
			DUNS: 042828025	EIN: 026000618
7. NRCS Program Contact: Jade Nield, State Engineer 603-271-3406		8. NRCS Administrative Contact: Kim Pedersen 530-792-5678		9. Recipient Program Contact: Jim Gallagher, Chief Engineer 603-271-1961
				10. Recipient Administrative Contact: Kent Finemore, Asst. Chief Engineer 603-271-0566
11. CFDA Number 10.916	12. Authority Watershed Protection Flood Prevention, 16 USC 1012; Cooperative, 31 USC 6305		13. Type of Action Amendment	14. Project Director Jade Nield, State Engineer

15. Project Title/Description:
No Cost Time Extension from 6/30/2015 to 10/31/2016. Also to update the wording in the Statement of Work by removing the reference to video documentation in the dam inspection paragraph (Pg. 4, Par. 13) and to remove the paragraph referencing the requirement to perform sediments survey (Pg. 3, Par. 3). All other terms and conditions shall remain in effect.

16. Entity Type: Profit Nonprofit Higher Education Federal State/Local Indian/Native American
 Other

17. Select Funding Type:		18. Accounting and Appropriation Data	
<input type="checkbox"/> Federal	<input type="checkbox"/> Non-Federal	Financial Code	Amount
		Fiscal Year	Treasury Symbol
Original Funds Total:			
Additional Funds Total:			
Grand Total:			

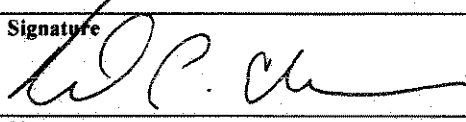
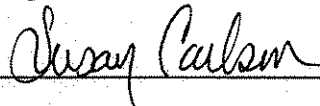
19. APPROVED BUDGET

Personnel	\$	Fringe Benefits	\$
Travel	\$	Equipment	\$
Supplies	\$	Contractual	\$
Construction	\$	Other	\$
Total Direct Cost	\$	Total Indirect Cost	\$
		Total Non-Federal Funds	\$
		Total Federal Funds Awarded	\$ 369,000
		Total Approved Budget	\$ 369,000

This agreement is subject to applicable USDA NRCS statutory provisions and Financial Assistance Regulations. In accepting this award or amendment and any payments made pursuant thereto, the undersigned represents that he or she is duly authorized to act on behalf of the awardee organization, agrees that the award is subject to the applicable provisions of this agreement (and all attachments), and agrees that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by NRCS to have been overpaid, will be refunded or credited in full to NRCS.

(Continuation)

NOTICE OF GRANT AND AGREEMENT AWARD			
Award Identifying Number	Amendment No.	Award/Project Period	Type of Award Instrument
69-1428-14-02	1	Upon date of final sig - 10/31/2016	Cooperative

Name and Title of Authorized Government Representative Richard P. Ellsmore, State Conservationist	Signature 	Date 10/23/2014
Name and Title of Authorized Recipient Representative Susan Carlson, Chief Operating Officer	Signature 	Date 11/6/14

NONDISCRIMINATION STATEMENT

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

PRIVACY ACT STATEMENT

The above statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. Section 522a).

FORM CD-450
(REV 01/09)

U. S. DEPARTMENT OF COMMERCE

GRANT COOPERATIVE AGREEMENT

FINANCIAL ASSISTANCE AWARD

AWARD NUMBER

NA13NOS4190142

RECIPIENT NAME Environmental Services, New Hampshire Department of

STREET ADDRESS 29 Hazen Drive FEDERAL SHARE OF COST \$200,000.00

CITY, STATE, ZIP CODE Concord NH 03301-6510 RECIPIENT SHARE OF COST \$0.00

AWARD PERIOD 10/01/2013-03/31/2015 TOTAL ESTIMATED COST \$200,000.00

AUTHORITY 16 U.S.C. 1456b

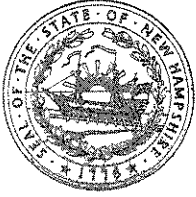
CFDA NO. AND PROJECT TITLE

11.419 NH Proposed FY 13 Project of Special Merit: Taking Action for Resilient Natural and Built Communities in Coastal New Hampshire through Applied Modeling and Development of a User-Driven Toolbox

This award offer approved by the Grants Officer constitutes an obligation of Federal funding. By accepting this award offer, the Recipient agrees to comply with the award Terms and Conditions checked below. If this was a paper issued award offer, please send two signed documents to the Grants Officer and retain one set of signed award documents for your files. If this award offer is not accepted without modification within 30 days of receipt, the Grants Officer may unilaterally withdraw this award offer and de-obligate the funds.

- Department of Commerce Financial Assistance Standard Terms and Conditions
- Government Wide Research Terms and Conditions
- Bureau Specific Administrative Standard Award Conditions
- Award Specific Special Award Conditions
- Line Item Budget
- 15 CFR Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Non-Profit, and Commercial Organizations
- 15 CFR Part 24, Uniform Administrative Requirements for Grants and Agreements to States and Local Governments
- OMB Circular A-21, Cost Principles for Educational Institutions
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments
- OMB Circular A-122, Cost Principles for Non-Profit Organizations
- 48 CFR Part 31, Contract Cost Principles and Procedures
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
- Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements
REF: 77 FR 74634 (December 17, 2012)
- Other(s)
This award is being made under competitive Federal Funding Opportunity Number NOAA-NOS-OCRM-2013-2003496 posted at Grants.gov on 01/08/2013.

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER Alan Conway	TITLE Grants Officer	DATE 08/08/2013
TYPE NAME AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL Susan Carlson	TITLE	DATE 08/14/2013



State of New Hampshire

FIS 14 202

DEPARTMENT OF SAFETY
OFFICE OF THE COMMISSIONER
33 HAZEN DR. CONCORD, NH 03305
603/271-2791

JOHN J. BARTHELMES
COMMISSIONER

November 6, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Requested Action

Pursuant to RSA 14:30-a VI, the Department of Safety, Division of Homeland Security and Emergency Management, requests authorization to accept and expend Hazard Mitigation Grant Program (HMGP) funds from the Federal Emergency Management Agency (FEMA) in the amount of \$1,107,723.00 for the implementation of cost effective mitigation projects. Effective upon Fiscal Committee and Governor and Council approvals through June 30, 2015. Funding Source: 100% Federal Funds.

Funds are to be budgeted in SFY 2015 in the following account:

02-23-23-236010-29210000 Dept. of Safety HSEM DR 4139 July 2013 Rain

	Current Adjusted Authorized	Requested Action	Revised Adjusted Appropriation
000-408121 Federal Funds	\$ (1,238,947.00)	\$ (1,107,723.00)	\$ (2,346,670.00)
018-500106 Overtime	\$ 6,500.00	\$ 0.00	\$ 6,500.00
020-500200 Current Expense	\$ 1,718.00	\$ 1,300.00	\$ 3,018.00
030-500311 Equipment	\$ 3,400.00	\$ 0.00	\$ 3,400.00
040-500800 Indirect Costs	\$ 5,424.00	\$ 5,300.00	\$ 10,724.00
041-500801 Audit Fund Set Aside	\$ 1,333.00	\$ 1,200.00	\$ 2,533.00
060-500601 Benefits	\$ 1,295.00	\$ 0.00	\$ 1,295.00
070-500705 In-State Travel	\$ 2,193.00	\$ 822.00	\$ 3,015.00
072-500574 Grants - Federal	\$ 1,181,187.00	\$ 1,056,081.00	\$ 2,237,268.00
080-500710 Out of State Travel	\$ 914.00	\$ 2,000.00	\$ 2,914.00
246-500792 Grantee Administrative Costs	\$ 34,983.00	\$ 41,020.00	\$ 76,003.00
Total Appropriation:	\$ 1,238,947.00	\$ 1,107,723.00	\$ 2,346,670.00

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
November 6, 2014
Page 2 of 2

Explanation

The Hazard Mitigation Grant Program (HMGP) provides funding to states and communities (sub-grantees) for cost-effective hazard mitigation activities that complement a comprehensive mitigation program. FEMA provides HMGP funds to states following presidentially declared disasters where the FEMA Public Assistance Program is employed that, in turn, provide sub-grants or contracts for a variety of mitigation activities, such as planning and the implementation of projects identified through the evaluation of natural hazards. The cost share is 75% Federal funds and a 25% applicant soft-match. The sub-grantee will provide and document the program match requirements. The management costs associated with the Hazard Mitigation Grant Program are 100% federal funds and do not require a matching percentage.


<u>Class Code</u>	<u>Title</u>	<u>Description</u>
018	Overtime	Provides funding for full-time staff working extra hours to manage the Hazard Mitigation Assistance programs.
020	Current Expense	Allows for purchasing supplies needed to manage the Hazard Mitigation Assistance programs.
030	Equipment	Allows for purchasing equipment needed for project management.
040	Indirect Cost	Represents the associated amount for this request.
041	Audit Fund Set Aside	Represents the associated amount for this request.
060	Benefits	Provides funding associated with Class Code 018.
070	In-State Travel	Provides funding for travel to manage the Hazard Mitigation Assistance programs statewide.
072	Grants	Provides funding for grants to sub-grantees.
080	Out of State Travel	Provides funding for travel to workshops associated with managing the Hazard Mitigation Assistance programs.
246	Grantee Admin Costs	Provides funding for Grantee administrative costs.

At the time the State of New Hampshire FY 2014 – 2015 budget was being developed, it was not anticipated that the State would receive this level of funding.

The State of New Hampshire solicits applications statewide. Notification of the availability of HMGP funds is made to every community by e-mail and by letters sent to the chief elected official of each community. The State of New Hampshire submits all applications received for program funding to the Federal Emergency Management Agency for their final approval. Applications that are determined to be cost effective and program eligible are then funded 75% by FEMA; not every application submitted is determined to be program eligible. However, all applications that are determined to be eligible are funded at the requested dollar amount listed in their application, pending availability of adequate program funding.

There are no General funds required with this request. In the event that Federal funds are no longer available, General funds and/or Highway funds will not be requested to support this program.

Respectfully submitted,


John J. Barthelmes
Commissioner of Safety

Department of Safety
Homeland Security and Emergency Management
Hazard Mitigation Program - FEMA

Fiscal Situation: Account 02-23-23-236010-29210000

Federal Funds Awarded:

FEMA-4006-DR-NH Hazard Mitigation Grant Program (HMGP)	\$196,371.00
FEMA-4049-DR-NH Hazard Mitigation Grant Program (HMGP)	\$532,223.00
FEMA-4065-DR-NH Hazard Mitigation Grant Program (HMGP)	\$510,353.00
FEMA-4139-DR-NH Hazard Mitigation Grant Program (HMGP)	\$1,107,723.00
Total Grant Funds Awarded	\$2,346,670.00

Less: FY 14 Expenditures	\$0.00
	<u>\$0.00</u>

Net Grant Funds Remaining as of 7/1/14	\$2,346,670.00
Less SFY15 Current Adjusted Authorized	(\$1,238,947.00)
Excess grant funds available to appropriate	\$1,107,723.00
This Request	\$1,107,723.00



FEMA

August 28, 2014

Perry Plummer, Director
Homeland Security and Emergency Management
33 Hazen Dr.
Concord, NH 03305

Re: Section 324 Management Costs Final (12-Month) Lock-ins and
HMGP Final Lock-in Ceiling, FEMA-4139-DR-NH

Dear Director Plummer:

Under Section 404 of the Stafford Act, as amended, 75% Federal funding is authorized for hazard mitigation measures. As a condition of receiving Federal disaster assistance, measures must be cost-effective, environmentally acceptable and be consistent with the strategies and recommendations identified in your State Hazard Mitigation Plan. Funding for mitigation projects under the HMGP is based on 15% of the estimated aggregate amount of grants made under the Stafford Act. The 12-month final lock-in of \$1,056,081 in Federal funding is available for the HMGP under FEMA-4139-DR-NH. A breakdown of funding is listed below:

5% PROJECTS	\$ 52,804	
7% PROJECTS	\$ 73,926	
REGULAR PROJECTS	\$ 929,351	
12-MONTH LOCK-IN	\$ 1,056,081	
STATE MANAGEMENT COST PROJECTS	\$ 51,642	1,107,723

This calculation is based on the 12-month estimate as reported by the authorized disaster assistance programs. This is the final 12-month lock-in for FEMA-4139-DR-NH. Final applications or amendments for new mitigation projects must have been submitted to the FEMA Region I Hazard Mitigation Assistance Branch by **August 2, 2014**. Please forward a SF-424 to cover the funding request. If you have any questions, please contact Richard Verville, FEMA Region I Hazard Mitigation Assistance Branch Chief, at (617) 956-7524.

Sincerely,

Dean J. Savramis
Director, Mitigation Division
FEMA Region I

cc: Beth Peck, State Hazard Mitigation Officer, NH HSEM
Dan McElhinney, Grants Division Director, FEMA Region I
Lynn Wright, Grants Management Branch Chief, FEMA Region I

FILE COPY

U.S. Department of Homeland Security
FEMA Region I
99 High Street
Boston, MA 02110



FEMA

October 12, 2012

Mr. Christopher Pope, Director
NH Homeland Security and Emergency Management
33 Hazen Drive
Concord, New Hampshire 03301

Re: 12-MONTH FINAL LOCK-IN
FEMA-4006-DR-NH
Hazard Mitigation Grant Program

Dear Director Pope:

Under Section 404 of the Stafford Act, as amended, 75% Federal funding is authorized for hazard mitigation measures. As a condition of receiving Federal disaster assistance, measures must be cost-effective, environmentally acceptable and be consistent with the strategies and recommendations identified in your State Hazard Mitigation Plan. Funding for mitigation projects under the Hazard Mitigation Grant Program (HMGP) is based on 15% of the estimated aggregate amount of grants made under the Stafford Act. The 12-month final lock-in of \$187,216 in Federal funding is available for the HMGP under FEMA-4006-DR-NH. A breakdown of funding is listed below:

5% PROJECTS	\$ 9,361
7% PROJECTS	\$ 13,105
REGULAR PROJECTS	\$ 164,750
12-MONTH LOCK-IN	\$ 187,216
STATE MANAGEMENT COST PROJECTS	\$ 9,155

This calculation is based on the 12-month estimate as reported by the authorized disaster assistance programs. This is the final 12-month lock-in for FEMA-4006-DR-NH. Final applications or amendments for new mitigation projects must have been submitted to the FEMA Region I Hazard Mitigation Division by July 22, 2012. If you have any questions, please contact me.

Sincerely,

Dean J. Savramis
Mitigation Division Director
FEMA Region I

Cc: Lance Harbour, HSEM

U.S. Department of Homeland Security
FEMA Region I
99 High Street
Boston, MA 02110



FEMA

February 7, 2013

Perry Plummer, Acting Director
NH Department of Homeland Security and Emergency Management
33 Hazen Drive
Concord, New Hampshire 03301

Re: 12-Month Final Lock-In
FEMA-4049-DR-NH
Hazard Mitigation Grant Program (HMGP)

Dear Director Plummer:

Under Section 404 of the Stafford Act, as amended, 75% Federal funding is authorized for hazard mitigation measures. As a condition of receiving Federal disaster assistance, measures must be cost-effective, environmentally acceptable and be consistent with the strategies and recommendations identified in your State Hazard Mitigation Plan. Funding for mitigation projects under the HMGP is based on 15% of the estimated aggregate amount of grants made under the Stafford Act. The 12-month final lock-in of \$507,411 in Federal funding is available for the HMGP under FEMA-4049-DR-NH. A breakdown of funding is listed below:

5% PROJECTS	\$ 25,371
7% PROJECTS	\$ 35,519
REGULAR PROJECTS	\$ 446,521
12-MONTH LOCK-IN	\$ 507,411
STATE MANAGEMENT COST PROJECTS	\$ 24,812

This calculation is based on the 12-month estimate as reported by the authorized disaster assistance programs. This is the final 12-month lock-in for FEMA-4049-DR-NH. Final applications or amendments for new mitigation projects must have been submitted to the FEMA Region I Hazard Mitigation Division by December 5, 2012. Please forward a SF-424 to cover the funding request. If you have any questions, please contact me.

Sincerely,

Dean J. Savramis
Director, Mitigation Division
FEMA Region I

Cc: Beth Peck, Acting SHMO, NH HSEM



FEMA

FILE COPY

August 16, 2013

Perry Plummer, Acting Director
NH Department of Homeland Security and Emergency Management
33 Hazen Drive
Concord, New Hampshire 03301

Re: 12-Month Final Lock-In
FEMA-4065-DR-NH
Hazard Mitigation Grant Program (HMGP)

Dear Director Plummer:

Under Section 404 of the Stafford Act, as amended, 75% Federal funding is authorized for hazard mitigation measures. As a condition of receiving Federal disaster assistance, measures must be cost-effective, environmentally acceptable and be consistent with the strategies and recommendations identified in your State Hazard Mitigation Plan. Funding for mitigation projects under the HMGP is based on 15% of the estimated aggregate amount of grants made under the Stafford Act. The 12-month final lock-in of \$486,560 in Federal funding is available for the HMGP under FEMA-4065-DR-NH. A breakdown of funding is listed below:

5% PROJECTS	\$ 24,328
7% PROJECTS	\$ 34,059
REGULAR PROJECTS	\$ 428,173
12-MONTH LOCK-IN	\$ 486,560
STATE MANAGEMENT COST PROJECTS	\$ 23,793
	\$ 510,353

This calculation is based on the 12-month estimate as reported by the authorized disaster assistance programs. This is the final 12-month lock-in for FEMA-4065-DR-NH. Final applications for new mitigation projects were submitted to the FEMA Region I Hazard Mitigation Assistance (HMA) Branch by the June 15, 2013 deadline. If you have any questions, please contact me.

Sincerely,

Dean J. Savramis
Director, Mitigation Division
FEMA Region I

cc: Beth Peck, State Hazard Mitigation Officer, NH HSEM
Dan McElhinney, Grants Division Director, FEMA Region I
Lynn Wright, Grants Management Branch Chief, FEMA Region I

MANAGEMENT COSTS REQUEST

STATE	New Hampshire
DISASTER #	4139

Complete & check all sections:

Check one:

INITIAL REQUEST
 AMENDED REQUEST if amendment, what is initial request date: 08/01/2014
 IS REQUEST BEING SUBMITTED WITHIN 120 DAYS OF DISASTER DECLARATION? _____

MGMT COST LOCK IN AMOUNT	\$	51,642.00	<input checked="" type="checkbox"/>
# PROJECTS FUNDED	\$	-	<input checked="" type="checkbox"/>

SCOPE OF WORK (SOW) FOR MANAGEMENT COSTS DESCRIBING ACTIVITIES, PERSONNEL AND OTHER COSTS FOR WHICH GRANTEE WILL USE THE MANAGEMENT COST FUNDING.

WORK IN SCOPE OF WORK WILL BE COMPLETED BY GRANTEE STAFF:(check if applicable)
 WORK IN SCOPE OF WORK WILL BE COMPLETED BY CONTRACTOR:(check if applicable)

DESCRIBE ACTIVITIES, STAFFING AND OTHER COSTS AS WELL AS PLAN FOR EXPENDING AND MONITORING FUNDS TO ENSURING FUNDS ARE BUDGETED FOR GRANT CLOSEOUT.

(USE ADDITIONAL PAGES IF NECESSARY)

Management Costs will be used to monitor project performance, conduct workshops to promote the Hazard Mitigation Grant program throughout the State of NH and provide technical assistance to communities.

These funds will be used to provide supplies and equipment, allow for in/out state travel, overtime and benefits for 2 full time staff, audit funds, and the required indirect cost.

STATE ADMINISTRATIVE PLAN:
 APPROVED BY FEMA ON: (DATE) _____
 DOES ADMIN PLAN:
 LIST STAFFING TO ACCOMPLISH SOW? 2 full time and 1 part time
 EXPLAIN METHOD OF DETERMINING PASSTHROUGH OF ADMIN \$ TO SUBAPPLICANTS?
 EXPLAIN MONITORING, CLOSEOUT AND AUDIT PROCEDURES OF GRANT FUNDS?
 ADMIN PASSTHROUGH AMOUNT TO LOC/ N/A

BUDGET (NOTE THE #CATEGORY OF ELIGIBLE COSTS FOR EACH BUDGET LINE ITEM)

ELIGIBLE COST CATEGORIES

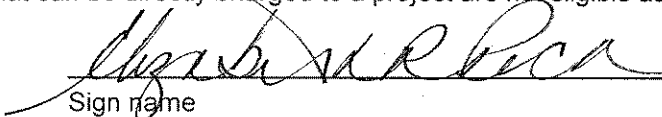
1. SOLICITATION, REVIEW, AND PROCESSING OF SUBAPPLICATIONS AND SUBGRANT AWARDS;
PROVIDING TECH ASSISTANCE TO SUBAPPLICANTS REGARDING ENGINEERING FEASIBILITY, BCA, AND ENVIRONMENTAL PLANNING AND HISTORIC PRESERVATION (EHP) DOCUMENTATION;
3. GEOCODING MITIGATION PROJECTS SELECTED FOR FURTHER REVIEW;
4. DELIVERY OF TECHNICAL ASSISTANCE (E.G. PLAN REVIEWS, PLANNING WORKSHOPS, TRAINING) TO SUPPORT THE IMPLEMENTATION OF MITIGATION ACTIVITIES;
5. MANAGING GRANTS (QUARTERLY REPORTING, CLOSEOUT);
6. TECHNICAL MONITORING (E.G. SITE VISITS, TECHNICAL MEETINGS);
7. PURCHASE OF EQUIPMENT, PER DIEM AND TRAVEL EXPENSES AND PROFESSIONAL DEVELOPMENT THAT IS DIRECTLY RELATED TO THE IMPLEMENTATION OF HMA PROGRAMS; AND
8. STAFF SALARY COSTS DIRECTLY RELATED TO PERFORMING THE ACTIVITIES LISTED ABOVE.

ITEMIZED BUDGET



LINE ITEM NAME & COST CATEGORY	DESCRIPTION	BUDGETED
Overtime	mitigation program	\$800.00
Salaries	personnel costs for grant management	\$15,000.00
Benefits		\$3,920.00
Audit	.001% of all program funding	\$1,200.00
Indirect Cost	9.94 % of management cost	\$5,400.00
In state travel	Operation of State car, Meals and hotel	\$823.00
Admin	allocation	\$ 21,300.00
Out of State Travel	airfare, hotel and meals	\$2,000.00
Current Expense		\$ 1,200.00
<i>Management Costs previously requested:</i>	TOTAL MANAGEMENT COST BUDGET	\$ 51,643.00
	FEDERAL SHARE OF TOTAL	
<i>Additional Mgmt Costs Required (calculated):</i>	APPLICANT SHARE OF TOTAL (NO REQUIRED %)	
\$51,643.00	TOTAL OF FEDERAL & NON FEDERAL SHARES	\$

By signing below, Grantee agrees that management cost funds will be used in accordance with 44 CFR 13.22 and 207. Grantees also understands that indirect costs may not be charged directly to a project but are eligible as a as a management cost, and that costs that can be directly charged to a project are not eligible as a management cost.

Elizabeth Peck SHMO  10/17/2014
 Print name Sign name date

FOR FEMA USE ONLY BELOW LINE

Management Cost request recommend approval:

FEMA HMA Specialist:

_____ sign and print name date

Management Cost request approved:

FEMA HMA Branch Chief

_____ sign and print name date

TITLE I

THE STATE AND ITS GOVERNMENT

CHAPTER 14

LEGISLATIVE OFFICERS AND PROCEEDINGS

Legislative Budget Assistant

Section 14:30-a

14:30-a Fiscal Committee. –

I. There is hereby established a fiscal committee of the general court. Said committee shall consist of 10 members. Five shall be members of the house as follows: the chairperson of the finance committee and 2 other members of the committee, appointed by the chairperson; and 2 other house members appointed by the speaker of the house. Five members shall be members of the senate as follows: the chairperson of the finance committee and 2 other members of that committee, appointed by the chairperson; and 2 other senators appointed by the senate president. The chairperson of the house finance committee shall be the chairperson of the fiscal committee.

II. The committee shall, while the general court is in session and during the interim, consult with, assist, advise, and supervise the work of the legislative budget assistant, and may at its discretion investigate and consider any matter relative to the appropriations, expenditures, finances, revenues or any of the fiscal matters of the state. The members shall be paid the regular legislative mileage during the interim while engaged in their work as members of the committee.

III. The fiscal committee shall consider recommendations proposed to it by the legislative performance audit and oversight committee established under RSA 17-N:1. The fiscal committee shall adopt all recommendations proposed to it as provided in RSA 17-N:1, III by the performance audit and oversight committee unless the fiscal committee refuses by unanimous vote to adopt such recommendations.

IV. [Repealed.]

V. [Repealed.]

VI. Any non-state funds in excess of \$100,000, whether public or private, including refunds of expenditures, federal aid, local funds, gifts, bequests, grants, and funds from any other non-state source, which under state law require the approval of governor and council for acceptance and expenditure, may be accepted and expended by the proper persons or agencies in the state government only with the prior approval of the fiscal committee of the general court.

Source. 1965, 239:19. 1987, 416:7. 1989, 396:13; 408:2. 1991, 346:18, I. 1995, 9:8. 2005, 177:11. 2006, 290:21, eff. June 15, 2006. 2012, 247:10, eff. Aug. 17, 2012.

New Hampshire

Department of Agriculture,
Markets & Food

FIS 14 208

Lorraine S. Merrill, Commissioner

November 12, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

Her Excellency Governor Margaret Wood Hassan
and the Honorable Executive Council
State House

Dear Governor Hassan and Honorable Council:

Requested Action

Pursuant to RSA 14:30-a, VI the NH Department of Agriculture, Markets & Food, State Conservation Committee (NHDAMF) respectfully requests authorization to budget and expend carry forward funds from State Fiscal Year 2014, in the amount of \$230,000; for Grants non-federal (073), to fulfill the scope of work to award grants for the NHDAMF Number Plate grant program. These non-lapsing funds are fees collected for moose plate registrations; for the period of Fiscal Committee and Governor and Council approval to June 30, 2015. 97.7% Other Funds – Soil Conservation and 2.3% General Funds (classes 020, 070 & 103 only).

These Funds are to be budgeted in the existing account, **02-18-18-184500-28600000 Soil Conservation**, as follows:

<u>OBJECT CLASS</u>	<u>ACCOUNT</u>	<u>CURRENT FY 2015</u>	<u>REQUESTED CHANGE</u>	<u>REVISED FY 2015</u>
020	Current Expense	\$ 1,150	-0-	\$1,150
070	In State Travel	950	-0-	950
073	Grants non-federal	165,500	230,000	395,500
102	Contracts for Program Serv.	30,000	-0-	30,000
103	Contracts for Op. Services	<u>2,500</u>	<u>-0-</u>	<u>2,500</u>
	Total	\$200,100	\$230,000	\$430,100
Source of Funds				
008-407590	Other Funds	\$195,500	\$230,000	\$425,500
	General Funds	<u>4,600</u>	<u>-0-</u>	<u>4,600</u>
	Total Revenue	\$200,100	\$230,000	\$430,100

Explanation

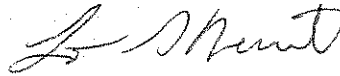
The New Hampshire Department of Agriculture, Markets & Food, State Conservation Committee (NHDAMF), receives other funds for the Soil Conservation program through the Conservation License Plate program, RSA 261:97-c III (a). Grants are awarded through a competitive process to groups including municipalities, County Conservation Districts, County Cooperative Extension natural resource programs, municipal conservation agencies, schools, scout groups, and other nonprofit entities engaged in natural resource conservation programs for conservation activities.

Fiscal Situation

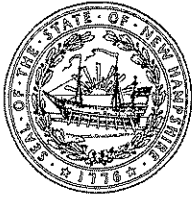
Current State Appropriation FY2015:	
28600000 Soil Conservation	\$200,100.00
Request this item	<u>230,000.00</u>
Total FY 2015 Revised Appropriation	\$430,100.00

FY 2014 Balance Carried Forward	\$238,582.83
Request this item	<u>(230,000.00)</u>
Total Available Funds FY2015 Revised	\$ 8,582.83

Respectfully submitted,



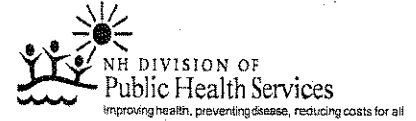
Lorraine S. Merrill
Commissioner



STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
603-271-4517 1-800-852-3345 Ext.4517
Fax: 603-271-4519 TDD Access: 1-800-735-2964



Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

FIS 14 211

December 10, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court, and

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1.) Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Public Health Services, Bureau of Population and Community Health Services, Maternal & Child Health Section, Injury Prevention Program to accept and expend federal funds in the amount of \$124,608 from the Centers for Disease Control and Prevention to fund the New Hampshire implementation of the National Violent Death Reporting System, effective upon Fiscal Committee and Governor and Council approval, for the period retroactive to September 1, 2014 through June 30, 2015, and further authorize the funds to be allocated as follows. Grant funds awarded for periods after SFY 2015 will be included in the future operating budgets for SFY 2016, SFY 2017, SFY 2018, SFY 2019 and SFY 2020.

05-95-90-902010-1869 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION AND COMMUNITY HEALTH SERVICES, NATIONAL VIOLENT DEATH REPORTING SYSTEM

SFY 2015

Table with 5 columns: Class/Object, Class Title, Current Modified Budget, Increase (Decrease) Amount, Revised Modified Amount. Rows include Federal Funds, Current Expense, Equipment, Audit Fund Set Aside, Transfers to Other State Agcy, In State Travel, Out of State Travel, and Total Revenue/Expenses.

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court, and
 Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 December 10, 2014
 Page 2

2.) Subject to approval of Item #1 above, authorize the Department of Health and Human Services, Division of Public Health Services, to enter into a Memorandum of Agreement (MOA) with the Department of Justice (vendor # 177877-B001), 33 Capitol St., Concord, NH 03301, for the purpose of collecting, linking and analyzing data from various sources regarding violent deaths including homicides, suicides, and firearm deaths of all intents. The Division requests that this MOA be **retroactive** to September 1, 2014 through August 31, 2019, with a total price limitation of \$630,855 for the 5 year project period, effective upon Governor and Council approval.

Funds are available in the following account for SFY 2015, and are anticipated to be available in SFY 2016, SFY 2017, SFY 2018, SFY 2019 and SFY 2020, upon the availability and continued appropriation of funds in the future operating budget.

05-95-90-902010-1869 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION AND COMMUNITY HEALTH SERVICES, NATIONAL VIOLENT DEATH REPORTING SYSTEM

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
SFY 2015	049/500294	Transfers to Other State Agencies	90001869	120,367
SFY 2016	049/500294	Transfers to Other State Agencies	90001869	122,030
SFY 2017	049/500294	Transfers to Other State Agencies	90001869	122,671
SFY 2018	049/500294	Transfers to Other State Agencies	90001869	122,671
SFY 2019	049/500294	Transfers to Other State Agencies	90001869	122,671
SFY 2020	049/500294	Transfers to Other State Agencies	90001869	20,445
			Total	\$630,855

EXPLANATION

These Requested Actions are identified as **retroactive** because the Notice of Award was not received until after the beginning date of the project period, not allowing time for these Requested Actions to be submitted prospectively; and so that the activities and deliverables in the Memorandum of Agreement, which include data collection for the National Violent Death Reporting System, and information related to all violent deaths may be collected for the entire project period, which began September 1, 2014.

The Department of Health and Human Services has received funding from the Centers for Disease Control (CDC) to establish the National Violent Death Reporting System (NVDRS) in New Hampshire. This award was given with the understanding that the Injury Prevention Program will work in conjunction with its partner, the New Hampshire Office of Medical Examiner, in the Department of Justice. The goals of the Injury Prevention Program under this award are to:

- collect and link data on violent deaths from various sources,

- analyze this data,
- share aggregated data with the Centers for Disease Control for national level reporting, and
- use this data to inform state-wide stakeholders to help them develop activities around the prevention of suicide, homicide, and firearm-related deaths.

In recent years, 2009-2013, there were on average 223 violent deaths per year in New Hampshire. The vast majority of these are suicides. Participation in the National Violent Death Reporting System with its expanded data set would allow the Injury Prevention Program, the Office of the Medical Examiner and their colleagues to further target prevention efforts. The rich data available through the National Violent Death Reporting System may also uncover previously unknown trends that could identify high risk groups to address in order to reduce both the risk and incidence of these violent deaths.

The funds are to be budgeted as follows:

- Funds in class 020 (Current Expense) are needed for the cost of general operating expenses.
- Funds in class 030 (Equipment) are needed to purchase a laptop, docking station and standing screen for the Principal Investigator.
- Funds in class 049 (Transfers to Other State Agency) will be available to the Department of Justice, Office of the Medical Examiner for NVDRS activities, which may include support of the Analyst's salary, office set-up, office supplies, in-state travel for grant-related meetings, and out-of-state travel for a CDC training conference in Atlanta, GA for the NVDRS Analyst.
- Funds in class 070 (In State Travel) are needed for in-state travel by Principal Investigator.
- Funds in class 080 (Out of State Travel) are needed to pay for out-of-state travel by the Principal Investigator to attend an all grantee meeting in Atlanta, GA.

Audit costs are included per state requirements.

In response to the anticipated two-part question, "Can these funds be used to offset General Funds?" and "What is the compelling reason for not offsetting General Funds?" the Division offers the following information: These funds may not be used to offset General Funds as they are specifically granted to the State for the purpose of providing the services described above.

These funds will not change the program eligibility levels. No new program will be established with the acceptance of these funds.

The geographic area to be served is the state of New Hampshire.

Source of funds: These funds are 100% Federal Funds from the Centers for Disease Control and Prevention to fund the New Hampshire implementation of the National Violent Death Reporting System. Attached is the Notice of Grant Award and award history. Notice of these funds was received on September 2, 2014. They were not added to the operating budget because these are new funds recently granted to the State and were not anticipated at the time the budget was developed.

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
December 10, 2014
Page 2

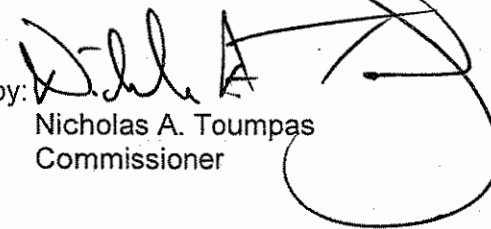
In the event that these Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



José Thier Montero, MD, MHCDS
Director

Approved by:



Nicholas A. Toumpas
Commissioner

JTM/JAS/cl

MEMORANDUM OF AGREEMENT
between the
DEPARTMENT OF HEALTH AND HUMAN SERVICES
and the
DEPARTMENT OF JUSTICE

Retroactive to September 1, 2014 through August 31, 2019

Subject: Cooperation on National Violent Death Reporting System (NVDRS) Grant

This Memorandum of Agreement (MOA) describes activities that have been agreed to between the Department of Health and Human Services, Division of Public Health Services (DPHS), Bureau of Population Health and Community Services, Maternal and Child Health Section (MCH) and the Department of Justice (DOJ), Office of the Chief Medical Examiner (OCME) related to collaboration on the National Violent Death Reporting System.

This is the first cooperative agreement of funding from the Centers for Disease Control (CDC) for the National Violent Death Reporting System in New Hampshire. MCH, in collaboration with the OCME, was one of thirty-one states that received this funding, which ends August 31, 2019.

This Agreement sets forth the roles and responsibilities of both DHHS and DOJ in carrying out the cooperative agreement.

This MOA will take effect retroactive to September 1, 2014 and be in effect through August 31, 2019. This agreement has the option to renew pending availability of funding, the agreement of the parties, and approval by Governor and Council.

For the purposes of this Agreement, DHHS and DOJ agree to cooperate as follows:

I. Department of Health and Human Services

The Department of Health and Human Services, Division of Public Health Services, Bureau of Population Health and Community Services, Maternal and Child Health Section agrees to:

1. *Accept and administer the cooperative agreement for the project.*
2. *Serve as the Principal Investigator for the cooperative agreement.*
3. *Assure that the cooperative agreement funds budgeted for the Office of the Chief Medical Examiner (OCME) will be paid to the OCME, Department of Justice (DOJ), through an interagency transfer approved by Governor and Council. Such funds will enable the OCME to carry out the identified responsibilities of the cooperative agreement.*
4. *The price limitation for this five year MOA is \$630,855. Compensation shall be paid upon invoice up to a maximum amount of \$140,171.00 during the first grant year and up to an amount of \$122,671.00 during each subsequent grant year. One hundred percent (100%) of those costs shall be covered via funds provided by the Centers for Disease Control. Neither DPHS, nor the OCME will be responsible for any expenses or costs incurred by the OCME under this Agreement in excess of the above amounts unless additional funding is expressly authorized by the DPHS prior to the work being performed, agreement of the parties, and Governor and Council approval.*

5. *Provide quarterly payment to DOJ upon receipt of an approved invoice based on actual costs incurred by the OCME.*
6. *Assist the OCME staff with project implementation.*
7. *Monitor the activities of the cooperative agreement as outlined in the cooperative agreement work plan.*
8. *Meet monthly or as indicated with the OCME staff to discuss the cooperative agreement activities carried out by the OCME staff.*
9. *Be responsible for assuring that any data reporting requirements requested by the Centers for Disease Control (CDC) are provided to the CDC.*
10. *Work with the OCME staff to obtain data and information necessary for monitoring the cooperative agreement and developing and writing any required reports.*
11. *Attend/participate in any CDC-required meetings, trainings, or presentations with the OCME staff as appropriate.*
12. *Obtain Vital Record information and newborn screening test results for the data collection of any infants who die suddenly and unexpectedly as of September 1, 2014 through August 31, 2019 upon request from the OCME.*
13. *Carry out any quality assurance activities as outlined in the cooperative agreement narrative and/or work plan.*
14. *Work with the OCME staff to assure that all violent deaths (Homicides, Suicides, and all Firearm-related fatalities) are reviewed within three months of the death.*

II. Department of Justice

The Department of Justice, Office of the Chief Medical Examiner, agrees to:

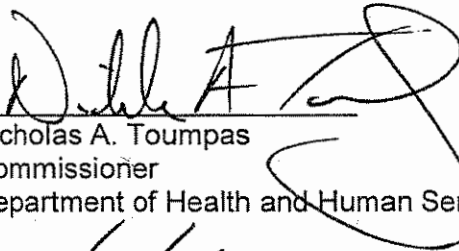
1. *Employ the position of NVDRS Analyst as outlined in the cooperative agreement application and job description.*
2. *Allow the Chief Medical Examiner or Chief Forensic Investigator to supervise the NVDRS Analyst to carry out the required responsibilities of the cooperative agreement.*
3. *Request and obtain access to, for the purpose of investigation and data collection for the National Violent Death Reporting System, information related to all violent deaths (Homicides, Suicides, and all Firearm-related fatalities) as of September 1, 2014 through August 31, 2019, from any sources of information including but not limited to: death scene investigation forms and reports, pathology and autopsy reports, medical records, social service records, law enforcement records, and protective service records, in accordance with RSA 611-B:11.*

4. Utilize cooperative agreement funds for budgeted project-related expenses as outlined in the cooperative agreement budget as approved in advance by the Governor and Council. Reimbursement for the expenses will be paid to the Department of Justice, through an interagency transfer, which will enable the OCME to carry out the identified responsibilities of the cooperative agreement.
5. Collaborate with the Principal Investigator to carry out the requirements of the cooperative agreement including requesting and collecting the various data elements of the violent death, entering the data into the National Violent Death Reporting System, generating data for analysis and reports, working with MCH staff to formulate the reports, attending any CDC-required trainings, meetings, and participating in presentations.
6. Cooperate with the Principal Investigator on any project-related quality assurance activities as outlined in the cooperative agreement narrative and work plan.

It Is Further Understood and Agreed Between DPHS, MCH and DOJ, OCME:

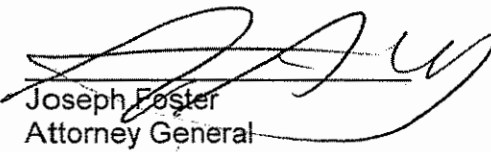
1. That neither DHHS, DPHS, MCH nor DOJ, OCME will be responsible for any expenses or costs incurred by the OCME under this Agreement prior to the date of Governor and Council approval.
2. That the maximum amount of funds available for reimbursement under this Agreement from DPHS to OCME shall be a total of \$140,171.00 during the first grant year and \$122,671.00 during subsequent grant years with one hundred percent (100%) of those costs covered by funds provided by the Centers for Disease Control. Neither DPHS, nor the OCME will be responsible for any expenses or costs incurred by the OCME under this Agreement in excess of the above amounts unless additional funding is expressly authorized by the DPHS prior to the work being performed, agreement of the parties, and Governor and Council approval.
3. That OCME agrees to commence the project upon Governor and Council approval. Failure to meet this deadline without good cause may cancel the DPHS participation in this project, at the discretion of DPHS. Any remaining funds will be forfeited. DOJ is responsible for informing DPHS if any condition arises that may result in this deadline being unattainable.
4. Notwithstanding any provision of this agreement to the contrary, all obligations of DHHS hereunder, including without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. DHHS shall not be required to transfer funds from any other source in the event that funds from the Centers for Disease Control are reduced or unavailable.

IN WITNESS WHEREOF, the respective parties have hereunto set their hands on the dates indicated.



Nicholas A. Toumpas
Commissioner
Department of Health and Human Service
11/13/14

(Date)



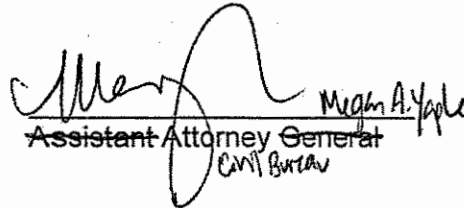
Joseph Foster
Attorney General
Department of Justice
11/19/14

(Date)

Attorney General This is to certify that the above AGREEMENT has been reviewed by this office and is approved as to form and execution.

11/10/14

(Date)



Megan A. Yagle
Assistant Attorney General
Civil Bureau

Secretary of State This is to certify that the GOVERNOR AND COUNCIL on _____ approved this AGREEMENT.

(Date)

(Attest)

(Secretary of State)

**AWARD HISTORY
National Violent Death Reporting System NVDR**

Award Ending 8/31/15	144,606	124,608
Expended through 6/30/14		-
Unobligated Balance Unable to Spend		-
Award Balance		124,608
SFY 15 Appropriation **		-
OYR		-
Available to Accept in SFY 15		124,608
Amount Requested this Action		<u>124,608</u>

**** SFY 15 Appropriation**

**AU 18690000
NVDR**

Current

OYR

Total

This Action

**Revised
Budget
124,608**

Total

-	-	-	-	124,608	124,608
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COOPERATIVE AGREEMENT
Department of Health and Human Services
Centers for Disease Control and Prevention
NATIONAL CENTER FOR INJURY PREVENTION AND CONTROL

Notice of Award

Issue Date: 09/02/2014



Grant Number: 1U17CE002610-01
FAIN: U17CE002610

Principal Investigator(s):
Rhonda Siegel

Project Title: New Hampshire Implementation of the National Violent Death Reporting System

DOLORES COOPER
FINANCE MGR, DPHS
29 HAZEN DR
CONCORD, NH 03301

Budget Period: 09/01/2014 – 08/31/2015
Project Period: 09/01/2014 – 08/31/2019

Dear Business Official:

The Centers for Disease Control and Prevention hereby awards a grant in the amount of \$144,606 (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH ST DEPARTMENT OF HEALTH & HUMAN SERVICES in support of the above referenced project. This award is pursuant to the authority of SEC 301,317, & 391A 42USC241,247B&280B-B3 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the individual(s) referenced in Section IV.

Sincerely yours,

Shicann Phillips
Grants Management Officer
Centers for Disease Control and Prevention

Additional information follows

SECTION I – AWARD DATA – 1U17CE002610-01

Award Calculation (U.S. Dollars)

Supplies \$2,500
Travel Costs \$3,060
Other Costs \$144
Consortium/Contractual Cost \$138,902

Federal Direct Costs \$144,606
Approved Budget \$144,606
Federal Share \$144,606
TOTAL FEDERAL AWARD AMOUNT \$144,606

AMOUNT OF THIS ACTION (FEDERAL SHARE) \$144,606

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

02 \$144,606
03 \$144,606
04 \$144,606
05 \$144,606

Fiscal Information:

CFDA Number: 93.136
EIN: 1026000618B3
Document Number: 002610CE14

IC	CAN	2014	2015	2016	2017	2018
CE	939ZSPT	\$144,606	\$144,606	\$144,606	\$144,606	\$144,606

SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
1	\$144,606	\$144,606
2	\$144,606	\$144,606
3	\$144,606	\$144,606
4	\$144,606	\$144,606
5	\$144,606	\$144,606

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

CDC Administrative Data:

PCC: / OC: 4151 / Processed: ERAAPPS 09/02/2014

SECTION II – PAYMENT/HOTLINE INFORMATION – 1U17CE002610-01

For payment information see Payment Information section in Additional Terms and Conditions.

INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hstips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous. This note replaces the Inspector General contact information cited in previous notice of award.

SECTION III – TERMS AND CONDITIONS – 1U17CE002610-01



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 DIVISION OF COMMUNITY BASED CARE SERVICES

Bureau of Drug and Alcohol Services

Nicholas A. Toumpas
 Commissioner

Diane Langley
 Director

105 PLEASANT STREET, CONCORD, NH 03301
 603-271-6110 1-800-804-0909
 Fax: 603-271-6105 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

January 5, 2015

The Honorable Neal M. Kurk, Chairman
 Fiscal Committee of the General Court, and

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Drug and Alcohol Services to accept and expend federal funds in the amount of \$2,187,927.93 for Substance Abuse Prevention & Treatment Block Grant federal funds from the United States Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, effective upon date of Fiscal Committee and Governor and Executive Council approval, through June 30, 2015, and further authorize the allocation of these funds in the accounts below. 100% Federal Funds.

05-95-49-491510-29900000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: DIV OF COMM BASED CARE SVC, CLINICAL SERVICES

Class/Object	Class Title	Current Authorized Budget	Increase (Decrease) Amount	Revised Authorized Budget
SFY 2015				
000-404600	Federal Funds	\$5,781,471.07	\$2,187,927.93	\$7,969,399.00
007-403412	Agency Income	\$74,888.25	\$0.00	\$74,888.25
009-407360	Agency Income	\$151,627.00		\$151,627.00
	General Funds	\$2,432,134.52	\$0.00	\$2,432,134.52
Total Revenue**		\$8,440,120.84	\$2,187,927.93	\$10,628,048.77

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Authorized Budget
SFY 2015				
010-500100	Personal Svcs Perm Class	\$318,939.00	\$0.00	\$318,939.00
020-500200	Current Expenses	\$39,389.00	\$0.00	\$39,389.00
026-500251	Organizational Dues	\$11,965.00	\$0.00	\$11,965.00
038-500175	Technology-Software	\$1,040.00	\$0.00	\$1,040.00
039-500191	Telecommunications	\$1,828.00	\$0.00	\$1,828.00
040-500800	Indirect Costs	\$130,000.00	\$0.00	\$130,000.00
041-050801	Audit Fund Set Aside	\$5,567.00	\$0.00	\$5,567.00
042-500620	Additional Fringe Benefits	\$27,500.00	\$0.00	\$27,500.00
050-500109	Personal Svcs Temp	\$18,500.00	\$0.00	\$18,500.00
060-500600	Benefits	\$179,473.00	\$0.00	\$179,473.00
070-500704	In State Travel Reim	\$4,569.00	\$0.00	\$4,569.00
080-500710	Out of State Travel Reim	\$731.00	\$0.00	\$731.00
102-500731	Contracts for Prg Svcs	\$7,700,619.84	\$2,187,927.93	\$9,888,547.77
Total Expenses		\$8,440,120.84	\$2,187,927.93	\$10,628,048.77

EXPLANATION

The Department of Health and Human Services, Division of Community Based Care Services, Bureau of Drug & Alcohol Services seeks approval to accept and expend in State Fiscal Year 2015, Substance Abuse Prevention and Treatment Block Grant funds from the United States Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. This request represents additional unspent grant funds not originally budgeted. This grant does not have a matching funds requirement. A copy of the grant award is attached.

These funds will allow the Bureau of Drug and Alcohol Services to fund various efforts aimed at developing a coordinated continuum of care for substance misuse services, including integration with health care systems, in all regions of the state. In state fiscal year 2015, funding will be provided to the Regional Public Health Networks to convene subject matter experts, consisting of local healthcare providers and other professionals within the continuum of services to form a workgroup to educate members of the Regional Public Health Advisory Council on the impacts of substance use disorders. Additionally, funds will be provided for the implementation of Screening, Brief Intervention and Referral to Treatment in New Hampshire's Community Health Care system. This work is intended to continue in the next biennium by funding the Regional Public Health Networks to develop necessary partnerships to build regional continuum of care across substance misuse prevention, intervention, treatment and recovery supports inclusive of healthcare. These efforts will align with the Department's plans for integrated delivery system networks.

Funds are budgeted in Contracts for Program Services, 102-500731, to support amendments to the current 13 Regional Public Health Networks and contracts with Community Health Care Centers.

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
January 5, 2015
Page 3

Areas Served: Statewide

Source of Funds: 100% United States Department of Health & Human Services, Substance Abuse and Mental Health Services Administration, Catalog of Federal Domestic Assistance #93.959, Federal Award Identification #TI010035-14.

In the event that Federal Funds become no longer available, General Funds will not be requested to support the program expenditures.

Respectfully Submitted,



Diane Langley
Director

Approved by:



Nicholas A. Toumpas
Commissioner

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
January 5, 2015
Page 4

Division of Community Based Care Services
Bureau of Drug & Alcohol Services

Substance Abuse Prevention & Treatment Block Grant

Fiscal Situation

010-049-29900000

FFY 2013 Grant Award (Balance available 7/1/2014)	\$2,902,129.00
FFY 2014 Grant Award	<u>\$6,807,911.00</u>
Total Available SFY 2015	\$9,710,040.00
Less SFY 2015 Current Adjusted Appropriation AU 2987	\$513,652.00
Less SFY 2015 Current Adjusted Appropriation AU 2988	\$1,226,989.00
Less SFY 2015 Current Adjusted Appropriation AU 2990	<u>\$5,781,471.07</u>
Total SFY 15 Budgeted	\$7,522,112.07
Excess Grant Funds Available to Appropriate	\$2,187,927.93
Amount of this Request AU 29900000	\$2,187,927.93



SABG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration
Center for Substance Abuse Treatment

Notice of Award

Issue Date: 07/15/2014

Grant Number: 3B08TI010035-14S1
FAIN: TI010035-14
Contact Person:
Shannon Quinn

Program: Substance Abuse Prevention & Treatment Block Grant

NH STATE DEPT OF HEALTH AND HUMAN SERS
Shannon Quinn
Div. of Community Based Care Svs.
105 Pleasant Street
Concord, NH 03301

Award Period: 10/01/2013 – 09/30/2015

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards the next quarterly (or partial) installment in the amount of \$1,701,977 (see "Award Calculation" in Section I) to NH STATE DEPT OF HEALTH AND HUMAN SERS in support of the above referenced project. This award is pursuant to the authority of Subparts II&III,B, Title XIX, PHS Act/45 CFR Part 96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

Virginia Simmons
Grants Management Officer
Division of Grants Management

See additional information below

SECTION I – AWARD DATA – 3B08TI010035-14S1

FEDERAL FUNDS APPROVED:	\$6,807,911
AMOUNT OF THIS ACTION (FEDERAL SHARE):	\$1,701,977
CUMULATIVE AWARDS TO DATE:	\$6,807,911
UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS:	\$0

Fiscal Information:

CFDA Number: 93.959
EIN: 1026000618B3
Document Number: 14B1NHSAPT
Fiscal Year: 2014

IC	CAN	14
TI	C96T034	\$1,701,977

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – 3B08TI010035-14S1

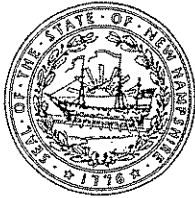
Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

SECTION III – TERMS AND CONDITIONS – 3B08TI010035-14S1

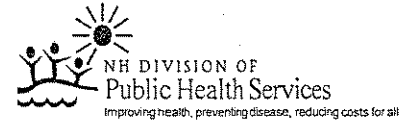
This action reflects the fourth quarter funding for the SABG.

All previous terms and conditions remain in full force and effect.



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
603-271-4517 1-800-852-3345 Ext.4517
Fax: 603-271-4519 TDD Access: 1-800-735-2964



Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

December 19, 2014

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court, and

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Public Health Services to accept and expend federal funds in the amount of \$641,559 from the Centers for Disease Control and Prevention, Preventive Health and Health Services (PHHS) Block Grant, effective upon Fiscal Committee and Governor and Council approval through June 30, 2015, and further authorize the funds to be allocated as follows. Grant funds awarded for periods after SFY 2015 will be included in the future operating budgets for SFY 2016 and SFY 2017. 100% Federal Funds.

05-95-90-900510-2203 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH STATS AND INFORMATICS, INFOMATICS

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Amount
000-400146	Federal Funds	\$67,856	\$99,000	\$166,856
000-000000	General Funds	\$154,998	\$0	\$154,998
Total Revenue		\$222,854	\$99,000	\$321,854
010-500100	Personal Services - Perm	\$71,481	\$0	\$71,481
012-500128	Personal Services - Unclassified	\$79,369	\$0	\$79,369
020-500200	Current Expense	\$1,500	\$0	\$1,500
039-500188	Telecommunications	\$860	\$0	\$860
041-500801	Audit Fund Set Aside	\$66	\$99	\$165
042-500620	Additional Fringe Benefits	\$1,363	\$0	\$1,363
060-500601	Benefits	\$67,915	\$0	\$67,915

The Honorable Neal M. Kurk, Chairman
 Fiscal Committee of the General Court, and
 Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 December 19, 2014
 Page 2

066-500543	Employee Training	\$0	\$3,850	\$3,850
070-500704	In State Travel	\$300	\$0	\$300
080-500710	Out of State Travel	\$0	\$7,607	\$7,607
102-500731	Contracts for Program Services	\$0	\$87,444	\$87,444
	Sub Total Expenses	\$222,854	\$99,000	\$321,854

05-95-90-901010-5362 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH SYSTEMS POLICY AND
 PERFORMANCE, POLICY AND PERFORMANCE

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Amount
000-400146	Federal Funds	\$270,115	\$361,917	\$632,032
000-000000	General Funds	\$482,323	\$0	\$482,323
Total Revenue		\$752,438	\$361,917	\$1,114,355
010-500100	Personal Services - Perm	\$466,960	\$0	\$466,960
020-500200	Current Expense	\$9,829	\$0	\$9,829
039-500188	Telecommunications	\$4,300	\$0	\$4,300
041-500801	Audit Fund Set Aside	\$294	\$336	\$630
042-500620	Additional Fringe Benefits	\$15,331	\$0	\$15,331
050-500109	Personal Services – Part Time	\$22,639	\$0	\$22,639
060-500601	Benefits	\$228,085	\$0	\$228,085
066-500543	Employee Training	\$0	\$45,999	\$45,999
070-500704	In State Travel	\$2,500	\$0	\$2,500
080-500710	Out of State Travel	\$2,500	\$41,332	\$43,832
102-500731	Contracts for Program Services	\$0	\$274,250	\$274,250
	Sub Total Expenses	\$752,438	\$361,917	\$1,114,355

05-95-90-901010-5997 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH SYSTEMS POLICY AND
 PERFORMANCE, STRENGTHING PUBLIC HEALTH INFRASTRUCTURE

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Amount
000-400146	Federal Funds	\$244,712	\$52,231	\$296,943
Total Revenue		\$244,712	\$52,231	\$296,943
010-500100	Personal Services - Perm	\$61,407	\$0	\$61,407
018-500106	Overtime	\$1	\$0	\$1
020-500200	Current Expense	\$4,108	\$0	\$4,108
026-500251	Organizational Dues	\$1	\$0	\$1
030-500300	Equipment New Replacement	\$922	\$0	\$922
039-500188	Telecommunications	\$500	\$0	\$500
041-500801	Audit Fund Set Aside	\$216	\$52	\$268
042-500620	Additional Fringe Benefits	\$6,521	\$0	\$6,521
050-500109	Personal Service Part-Time	\$8,257	\$0	\$8,257
060-500601	Benefits	\$40,353	\$0	\$40,353
066-500543	Employee Training	\$76,199	\$52,179	\$128,378
070-500704	In State Travel	\$200	\$0	\$200
080-500710	Out of State Travel	\$4,200	\$0	\$4,200
102-500731	Contracts for Program Services	\$29,902	\$0	\$29,902
104-500742	Certification Expense	\$11,925	\$0	\$11,925
	Sub Total Expenses	\$244,712	\$52,231	\$296,943

05-95-90-901510-7964 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH PROTECTION, LEAD PREVENTION

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Amount
000-400146	Federal Funds	\$585,913	\$6,197	\$592,110
000-000000	General Funds	\$436,683	\$0	\$436,683
Total Revenue		\$1,022,596	\$6,197	\$1,028,793
010-500100	Personal Services Perm	\$498,086	\$0	\$498,086
020-500200	Current Expense	\$46,785	\$0	\$46,785
021-500211	Food Institutions	\$300	\$0	\$300
026-500251	Organizational Dues	\$625	\$0	\$625

The Honorable Neal M. Kurk, Chairman
 Fiscal Committee of the General Court, and
 Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 December 19, 2014
 Page 4

030-500300	Equipment New Replacement	\$32,095	\$0	\$32,095
039-500188	Telecommunications	\$6,376	\$0	\$6,376
041-500801	Audit Fund Set Aside	\$519	\$6	\$525
042-500620	Additional Fringe Benefits	\$17,612	\$0	\$17,612
050-500109	Personal Services Part-time	\$30,462	\$0	\$30,462
060-500601	Benefits	\$298,547	\$0	\$298,547
066-500543	Employee Training	\$300	\$2,070	\$2,370
070-500704	In State Travel	\$2,713	\$0	\$2,713
080-500710	Out of State Travel	\$4,750	\$4,121	\$8,871
102-500731	Contracts for Program Services	\$82,826	\$0	\$82,826
229-500764	Sheriff Reimbursement	\$600	\$0	\$600
	Sub Total Expenses	\$1,022,596	\$6,197	\$1,028,793

05-95-90-902010-5190 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION HEALTH AND COMMUNITY
 SERVICES, MATERNAL – CHILD HEALTH

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Amount
000-400146	Federal Funds	\$2,157,596	\$107,952	\$2,265,548
000-000000	General Funds	\$5,676,558	\$0	5,676,558
	Total Revenue	\$7,834,154	\$107,952	\$7,942,106
010-500100	Personal Services - Perm	\$747,245	\$0	\$747,245
020-500200	Current Expense	\$38,768	\$0	\$38,768
026-500251	Organizational Dues	\$5,000	\$0	\$5,000
030-500300	Equipment New Replacement	\$4,000	\$0	\$4,000
039-500188	Telecommunications	\$4,479	\$0	\$4,479
041-500801	Audit Fund Set Aside	\$2,064	\$107	\$2,171
042-500620	Additional Fringe Benefits	\$56,893	\$0	\$56,893
060-500601	Benefits	\$373,116	\$0	\$373,116
066-500543	Employee Training	\$1,000	\$6,495	\$7,495
070-500704	In State Travel	\$7,833	\$0	\$7,833
080-500710	Out of State Travel	\$23,996	\$12,841	\$36,837
102-500731	Contracts for Program Services	\$6,569,760	\$88,509	\$6,658,269
	Sub Total Expenses	\$7,834,154	\$107,952	\$7,942,106

05-95-90-902510-5170 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, DISEASE
 CONTROL

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Amount
000-400146	Federal Funds	\$946,501	\$14,262	\$960,763
000-000000	General Funds	\$865,401	\$0	\$865,401
Total Revenue		\$1,811,902	\$14,262	\$1,826,164
010-500100	Personal Services - Perm	\$766,494	\$0	\$766,494
018-500106	Overtime	\$48,000	\$0	\$48,000
020-500200	Current Expense	\$50,251	\$0	\$50,251
026-500251	Organizational Dues	\$2,450	\$0	\$2,450
030-500300	Equipment New Replacement	\$11,638	\$0	\$11,638
039-500188	Telecommunications	\$12,000	\$0	\$12,000
041-500801	Audit Fund Set Aside	\$873	\$14	\$887
042-500620	Additional Fringe Benefits	\$31,371	\$0	\$31,371
050-500109	Personal Service – Part-Time	\$36,944	\$0	\$36,944
060-500601	Benefits	\$458,625	\$0	\$458,625
066-500543	Employee Training	\$0	\$11,018	\$11,018
070-500704	In State Travel	\$41,270	\$0	\$41,270
080-500710	Out of State Travel	\$13,793	\$3,230	\$17,023
102-500731	Contracts for Program Services	\$93,069	\$0	\$93,069
546-500390	Patient Care	\$132,613	\$0	\$132,613
547-500394	Disease Control Emergencies	\$100,000	\$0	\$100,000
548-500396	Reagents	\$12,511	\$0	\$12,511
	Sub Total Expenses	\$1,811,902	\$14,262	\$1,826,164
	TOTAL EXPENSES	\$11,888,656	\$641,559	\$12,530,215

EXPLANATION

The Department of Health and Human Services received a \$2.2 million Notice of Award from the Centers for Disease Control and Prevention for the period ending September 30, 2015. This is a \$1.2 million increase from the prior year award, of which the Department is requesting \$641,559 in SFY 2015. Grant funds awarded for periods after SFY 2015 will be included in the future operating budgets for SFY 2016 and SFY 2017.

The PHHS Block Grant is administered by the United States Department of Health and Human Services and provides funding to states to address their unique public health needs in innovative and locally defined ways. This program gives grantees the flexibility to use funds to respond rapidly to emerging health issues and to fill funding gaps in programs that deal with leading causes of death and disability.

The New Hampshire Department of Health and Human Services (DHHS), Division of Public Health Services (DPHS) is designated as the principal state agency for the allocation and administration of the Block Grant within the State of New Hampshire.

Under the direction of the Division and the Block Grant advisory committee the PHHS Block Grant funds have been used and will continue to be used to fund core public health such as:

- testing for and investigation of foodborne illness, rabies, tuberculosis, meningitis; hepatitis A, vaccine preventable diseases, and West Nile Virus,
- financial and technical support to school and community based oral health programs;
- heart disease and stroke prevention;
- preventing intentional and unintentional injuries;
- continued education and training of public health workforce; and
- sexual assault services.

The additional \$1.2 million will be used to:

- to continue performance improvement and accreditation initiatives within the Division of Public Health Services;
- support statewide clinical integration and data development efforts to further progress outlined in the State Health Improvement Plan; and
- fund the Public Health Networks to further State Health Improvement efforts locally and strengthen local public health infrastructure.

The funds are to be budgeted as follows: AU# 2203

- Funds in Class 041 (Audit Funds Set Aside): per state requirement.
- Funds in class 066 (Employee Training) are needed for staff to be trained to support Bureau professional development and training opportunities.
- Funds in class 080 (Out of State Travel) are needed to pay for out-of-state travel by the Principal Investigator to attend an all grantee meeting in Atlanta, GA.
- Funds in class 102 (Contracts for Program Services) will be used for Data development within Health Statistics Bureau.

The funds are to be budgeted as follows: AU# 5362

- Funds in Class 041 (Audit Funds Set Aside): per state requirement.
- Funds in class 066 (Employee Training) training for Bureau staff on quality improvement and performance management and other training needs related to bureau's work.
- Funds in class 080 (Out of State Travel) additional funds for staff travel that has not been possible for the last 5 years due to previous cuts to the PHHS block grant funds.

- Funds in class 102 (Contracts for Program Services) will be used to contract with 13 Regional Public Health Network Services contractors to develop a Community Health Improvement Plan (CHIP) that is aligned with the State Health Improvement Plan.

The funds are to be budgeted as follows: AU# 5997

- Funds in Class 041 (Audit Funds Set Aside): per state requirement.
- Funds in class 066 (Employee Training) continued training for staff in QI and updating QI projects throughout the Division.

The funds are to be budgeted as follows: AU# 7964

- Funds in Class 041 (Audit Funds Set Aside): per state requirement.
- Funds in class 066 (Employee Training) to support Bureau professional development and training opportunities for staff.
- Funds in class 080 (Out of State Travel) additional funds for staff travel that has not been possible for the last 5 years due to previous cuts to the PHHS block grant funds

The funds are to be budgeted as follows: AU# 5190

- Funds in Class 041 (Audit Funds Set Aside): per state requirement.
- Funds in class 066 (Employee Training) to support Bureau professional development and training opportunities for staff.
- Funds in class 080 (Out of State Travel) additional funds for staff travel that has not been possible for the last 5 years due to previous cuts to the PHHS block grant funds.
- Funds in class 102 (Contracts for Program Services) will be used to contract with 13 Regional Public Health Network Services contractors to develop a Community Health Improvement Plan (CHIP) that is aligned with the State Health Improvement Plan efforts, specifically in the area of injury prevention.

The funds are to be budgeted as follows: AU# 5170

- Funds in Class 041 (Audit Funds Set Aside): per state requirement.
- Funds in class 066 (Employee Training) to support Bureau professional development and training opportunities for staff.
- Funds in class 080 (Out of State Travel) additional funds for staff travel that has not been possible for the last 5 years due to previous cuts to the PHHS block grant funds

In response to the anticipated two-part question, "Can these funds be used to offset General Funds?" and "What is the compelling reason for not offsetting General Funds?" the Division offers the following information: These funds may not be used to offset General Funds as they are specifically granted to the State for the purpose of providing the services described above.

These funds will not change the program eligibility levels. No new program will be established with the acceptance of these funds.

The geographic area to be served is the state of New Hampshire.

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
December 19, 2014
Page 8

Source of funds: These funds are 100% Federal Funds from the Centers for Disease Control, Preventive Health and Health Services (PHHS) Block Grant. Attached is the Notice of Grant Award and award history. Notice of these funds was received on August 20, 2014. They were not added to the operating budget because these are new funds recently granted to the State and were not anticipated at the time the budget was developed.

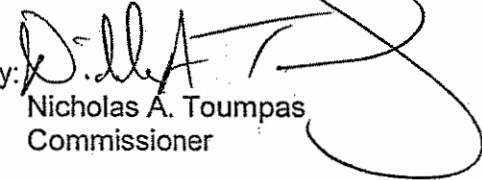
In the event that these Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



José Thier Montero, MD, MHCDS
Director

Approved by:



Nicholas A. Toumpas
Commissioner

JTM/CSI

Award History
Preventive Health Services Block Grant
B1NHPRVS

Award Ending 9/30/2015 (2,223,566/12*9)	1,667,675
Award Ending 9/30/2014	994,054
Expended Through 6/30/14	<u>(710,806)</u>
Available Award Balance 7/1/14	1,950,923
SFY 15 Appropriations *	(1,264,218)
OYR - brought forward	(45,145)
Available To Accept	<u>641,559</u>
Amount Requested this Action	<u>641,559</u>



PHS BLOCK GRANTS
Department of Health and Human Services
Centers for Disease Control and Prevention
Office for State, Tribal, Local and Territorial Support

Notice of Award

Issue Date: 08/20/2014



Grant Number: 2B01OT009037-14
FAIN: B01OT009037

Principal Investigator(s):
MARY ANN COONEY

Project Title: Preventive Health and Health Services Block Grant

29 HAVEN DRIVE

CONCORD, NH 033016527

Budget Period: 10/01/2013 - 09/30/2015
Project Period: 10/01/2013 - 09/30/2015

Dear Business Official:

The Centers for Disease Control and Prevention hereby awards a grant in the amount of \$2,223,566 (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH ST-DEPT OF HEALTH & WELFARE, DIV OF P in support of the above referenced project. This award is pursuant to the authority of PART A, TITLE XIX, PHS ACT, AS AMENDED and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the individual(s) referenced in Section IV.

Sincerely yours,

Roslyn Curington
Grants Management Officer
Centers for Disease Control and Prevention

Additional information follows

SECTION I – AWARD DATA – 2B01OT009037-14

Award Calculation (U.S. Dollars)

Federal Direct Costs:	\$2,223,566
Approved Budget	\$2,223,566
Federal Share	\$2,223,566
TOTAL FEDERAL AWARD AMOUNT	\$2,223,566
AMOUNT OF THIS ACTION (FEDERAL SHARE)	\$2,223,566

Fiscal Information:

CFDA Number: 93.758
EIN: 1026000618B5
Document Number: 14B1NHPRVS

IC	CAN	2014
OT	939016K	\$2,223,566

SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
14	\$2,223,566	\$2,223,566

CDC Administrative Data:

PCC: B / OC: 4115 / Processed: ERAAPPS 08/20/2014

SECTION II – PAYMENT/HOTLINE INFORMATION – 2B01OT009037-14

For payment information see Payment Information section in Additional Terms and Conditions.

INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hhtips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous. This note replaces the Inspector General contact information cited in previous notice of award.

SECTION III – TERMS AND CONDITIONS – 2B01OT009037-14

This award is based on the application submitted to, and as approved by, CDC on the above-titled project and is subject to the terms and conditions incorporated either directly or by reference in the following:

- a. The grant program legislation and program regulation cited in this Notice of Award.
- b. The restrictions on the expenditure of federal funds in appropriations acts to the extent those restrictions are pertinent to the award.
- c. 45 CFR Part 74 or 45 CFR Part 92 as applicable.
- d. The HS Grants Policy Statement, including addenda in effect as of the beginning date of the budget period.
- e. This award notice, INCLUDING THE TERMS AND CONDITIONS CITED BELOW.

This award has been assigned the Federal Award Identification Number (FAIN) B01OT009037. Recipients must document the assigned FAIN on each consortium/subaward issued under this award.



PHS BLOCK GRANTS
Department of Health and Human Services
Centers for Disease Control and Prevention
NATIONAL CENTER FOR CHRONIC DISEASE PREV AND HEALTH PROMO

Notice of Award

Issue Date: 09/11/2013



Grant Number: 2B01DP009037-13

Contact Person:
MARY ANN ANN COONEY MS.

Program: PREVENTIVE HEALTH SERVICES

NH STATE DEPT/HLTH STATISTICS/DATA MGMT.
OFFICE OF COMMUNITY AND PUBLIC HEALTH
29 HAZEN DRIVE
CONCORD, NH 033016504

Award Period: 10/01/2012 -- 09/30/2014

Dear Grantee:

The Centers for Disease Control and Prevention hereby awards a grant in the amount of \$994,054 (see "Award Calculation" in Section I) to NH STATE DEPT/HLTH STATISTICS/DATA MGMT in support of the above referenced project. This award is pursuant to the authority of PART A, TITLE XIX, PHS ACT, AS AMENDED and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

Roslyn Curington
Grants Management Officer
Division of Grants Management, OPS
Centers for Disease Control and Prevention

See additional information below

SECTION I – AWARD DATA – 2B01DP009037-13

FEDERAL FUNDS APPROVED: \$994,054
AMOUNT OF THIS ACTION (FEDERAL SHARE): \$994,054

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0
CUMULATIVE AWARDS TO DATE: \$994,054

Fiscal Information:

CFDA Number: 93.991
EIN: 1026000618B5
Document Number: 13B1NHPRVS
Fiscal Year: 2013

	IC	CAN	13
DP	9212687		\$994,054

PCC: B / OC: 4116

SECTION II – PAYMENT/HOTLINE INFORMATION – 2B01DP009037-13

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, PO Box 6021, Rockville, MD 20852, Help Desk Support – Telephone Number: 1-877-614-5533.

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

SECTION III – TERMS AND CONDITIONS – 2B01DP009037-13

See attached.

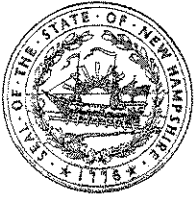
TERMS AND CONDITIONS OF THIS AWARD

NOTE 1: INCORPORATION: Preventive Health Services Block Grant Legislation, PI 97-35, 42 USC 300w-300w-10) and 45 CFR Part 96 and your Application are hereby made a part of this award by reference.

NOTE 2: APPROVED FUNDING: Funding in the amount of \$994,054 and includes Sex Offense is approved for Fiscal Year 2013 budget/project period, which is October 1, 2012 through September 30, 2014.

This action awards total funding of the 1st, 2nd, 3rd, and 4th quarter allotments in the amount of: \$994,054.

The total funding includes of the Sex Offense allotment in the amount of \$29,435.



State of New Hampshire

DEPARTMENT OF SAFETY
 OFFICE OF THE COMMISSIONER
 33 HAZEN DR. CONCORD, NH 03305
 603/271-2791

JOHN J. BARTHELMES
 COMMISSIONER

November 4, 2014

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, New Hampshire 03301

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

Requested Action

- Pursuant to RSA 14:30-a, VI authorize the Department of Safety, Division of State Police, to accept and expend \$143,881.00 of federal funds from the NH Highway Safety Agency, entitled NH State Police Virtual Private Network (VPN) Installation to provide assistance to departments in designing, configuring, and deploying a VPN solution. Effective upon Fiscal Committee and Governor and Council approvals through June 30, 2015. Funding Source: 100% Agency Income.
- Pursuant to RSA 124:15, authorize the Department of Safety, Division of State Police, to establish class 046 consultant positions for the purpose of providing assistance to departments in designing, configuring, and deploying a VPN solution. Effective upon Fiscal Committee and Governor and Council approvals through June 30, 2015. Funding Source: 100% Agency Income.

Funds are to be budgeted in the account titled:

02-23-23-234010-22110000 Dept. of Safety – Division of State Police – Highway Safety Equipment and Training Grants
 Amount: \$143,881.00

<u>Class</u>	<u>Description</u>	<u>Current Adjusted</u> <u>Authorized</u>	<u>Requested</u> <u>Action</u>	<u>Revised Adjusted</u> <u>Authorized</u>
009-405921	Agency Income	\$ (311,473.57)	\$ (143,881.00)	\$ (455,354.57)
020-500221	Current Expenses	\$ 0.22	\$ -	\$ 0.22
030-500311	Equipment	\$ 25,794.41	\$ -	\$ 25,794.41
037-500173	Technology - Hardware	\$ 8,800.00	\$ -	\$ 8,800.00
038-500178	Technology - Software	\$ 17,200.00	\$ -	\$ 17,200.00
039-500180	Telecommunications	\$ 0.60	\$ -	\$ 0.60
040-500800	Indirect Cost	\$ 26,578.34	\$ 13,009.00	\$ 39,587.34
046-500465	Consultants	\$ 231,300.00	\$ 130,872.00	\$ 362,172.00
066-500543	Employee Training	\$ 1,800.00	\$ -	\$ 1,800.00
	Total	\$ 311,473.57	\$ 143,881.00	\$ 455,354.57

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
November 4, 2014
Page 2 of 2

Explanation

The State Police VPN Installation Assistance grant will be used to fund the hiring of a contractor with network security experience to provide assistance to departments in designing, configuring, and deploying a VPN solution. The move to VPN will expand the ability of more law enforcement agencies to take advantage of the J-One network, which includes electronic citations (E-citations) and the electronic crash records management system (eCrash). The VPN is the communications backbone of the criminal justice system in the State.

The goal with the VPN is to increase the speed and accuracy of the reporting, as well as the accuracy of the reporting by capturing the data at the sources, as quickly after the event as possible, and moving it electronically through the system with a minimum of manual re-keying. This should enhance both highway and public safety and be an effective use of resources.

The funds are to be budgeted as follows:

Funds in class 040 are needed to pay indirect costs to Administrative Services on all eligible expenses.

Funds in class 041 are not appropriated because the department that receives the Federal grant from the federal granting agency is responsible for paying the audit fund set aside.


The funds in class 046 are needed to hire the contractor to provide assistance in designing, configuring, and deploying a VPN solution.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

- 1) List of personnel involved: *Temporary consultants*
- 2) Nature, Need, and Duration: *The temporary consultants will provide for the increased need for subject matter experts beyond the limited resources of in-house personnel in the design, configuration, and deployment of the VPN solution.*
- 3) Relationship to existing agency programs: *Expands the capacity to achieve missions within the Division of State Police and other projects directly related to the particular project.*
- 4) Has a similar program been requested of the legislature and denied? *No.*
- 5) Why wasn't funding included in the agency's budget request? *It was unclear at that time that there would be a potential need for consultants to complete these tasks.*
- 6) Can portions of the grant funds be utilized? *This request is 100% federally funded.*
- 7) Estimate the funds required to continue this position(s): *The temporary consulting positions are estimated at \$130,872.00.*

In the event that Agency Income becomes no longer available General and/or Highway funds will not be requested to support this program.

Respectfully Submitted,


John J. Barthelmes
Commissioner of Safety

Department of Safety
Highway Safety Equipment and Training Grants
Fiscal Situation

02-23-23-234010-22110000

SFY 2015

Federal Funds Awarded:

Highway Safety Grants - Effective through 9/30/2014 \$311,474.91

FFY 2015 Grant - VPN Installation Assistance - 11/15/2014 - 9/30/2015 \$143,881.00

Total Grant Funds Awarded **\$455,355.91**

Less SFY 2015 Current Adjusted Authorized on FFY 2014 Grants (\$311,473.57)

Grant Funds Available **\$143,882.34**

This Request **\$143,881.00**

**CONTRACTUAL AGREEMENT
FOR HIGHWAY SAFETY PROJECT GRANT**

For HSA Use Only

State Of New Hampshire
Highway Safety Agency
78 Regional Drive, Building 2
Concord, NH 03301-8530

Date Received October 28, 2014	Project Number #310-15S-002
Date Approved October 28, 2014	PSP and Task # 15-04, 05

Part I

1: Project Title VPN Installation Assistance	2. Type of Application (Check One) <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Revision <input type="checkbox"/> Continuation
---	---

3. Applicant	
A. Name of Agency DUNS Number 060340564 NH Department of Safety Division of State Police	B. Address of Agency 33 Hazen Drive Concord NH 03305-0011
C. Government Unit (Check One) <input checked="" type="checkbox"/> State <input type="checkbox"/> City/Town <input type="checkbox"/> County <input type="checkbox"/> Other (specify):	D. Name Address of Governmental Unit State of New Hampshire Concord, NH 03301

4. Contract Duration A. Contract Period Start Date: November 15, 2014 Termination Date: September 30, 2015	Functional Area M3DA - 405c Data Program CFDA# 20.616 Program Title Traffic Safety Info System Improvement Grant Funding Source National Highway Traffic Safety Administratio
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6. Description of Project (Describe in detail in Schedule A) and Source of Funds

Budget (Provide itemization as called for on Schedule B) and Source of Funds					
Cost Category	Total Budget	Federal Budget	Local Budget	State Budget	Other Funds
a. Personnel Services					
b. Current Expense					
c. Equipment					
d. Indirect Costs Audit	\$13,009.00	\$13,009.00			
e. Contractual Services	\$130,872.00	\$130,872.00			
f. Other					
Total Estimated Costs Including Non-Federal Share	\$143,881.00	\$143,881.00			

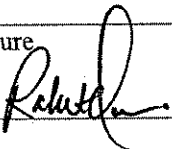
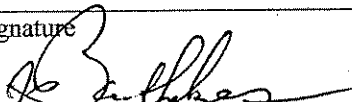
7. Local Benefit: It is anticipated that the federal share for local benefit will be: <u>0%</u> (\$0.00)

Part II


BUDGET AND PERSONNEL DATA	
a. Personnel Services	
*See Proposed Solution (page 3) for explanation of pay rates	
b. Current Expenses	
c. Equipment	
d. Indirect Costs and Audit Expense Indirect costs @ 9.94 percent	\$ 13,009.00
e. Contractual Services VPN Installation Contractor (to provide assistance to county/local law enforcement for design, configuring, and deploying VPN)	\$130,872.00
f. Other Expenses	
Total	\$143,881.00

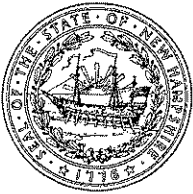
Part III

Acceptance of Conditions. It is understood and agreed by the undersigned that a grant received as a result of this contract is subject to the regulations governing grant which have been furnished (or will be furnished upon request) to the applicant.

A. Project Director		
1) Name Colonel Robert L. Quinn	2) Title Director, Division of State Police NH Department of Safety	3) Address 33 Hazen Drive Concord, NH 03301
4) Signature X 	5) Telephone Number 223-8813	
B. Authorized Official		
1) Name John J. Barthelmes	2) Title Commissioner, NH Department of Safety	3) Address 33 Hazen Drive Concord, NH 03301
4) Signature X 	5) Telephone Number 223-3889	

Part IV (For HSA Use Only)

1. Approval Date October 28, 2014	2. Signature & Title  Peter M. Thomson, Coordinator NH Highway Safety Agency
3. Federal Funds Obligated by this Agreement: \$143,881.00	



STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
 603-271-4661 1-800-852-3345 Ext. 4661
 Fax: 603-271-4760 TDD Access: 1-800-735-2964



Nicholas A. Toumpas
 Commissioner

José Thier Montero
 Director

December 11, 2014

The Honorable Neal M. Kurk, Chairman
 Fiscal Committee of the General Court, and

Her Excellency, Governor Margaret Wood Hassan
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Public Health Services, Bureau of Laboratory Services, to accept and expend federal funds in the amount of \$559,432 from the US Centers for Disease Control and Prevention (CDC) to fund the NH Biomonitoring Program, effective upon date of approval by the Fiscal Committee and Governor and Council, through June 30, 2015, and further authorize the funds to be allocated as follows. Grant funds awarded for periods after SFY 2015 will be included in the future operating budgets for SFY 2016 and SFY 2017.

05-95-90-903010-8280 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF LABORATORY SERVICES, BIOMONITORING GRANT

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-404972	Federal Funds	\$0	\$559,432	\$559,432
Total Revenue		\$0	\$559,432	\$559,432
018-500106	Overtime	\$0	\$100	\$100
019-500105	Holiday Pay	\$0	\$300	\$300
020-500200	Current Expense	\$0	\$20,000	\$20,000
024-500225	Maint not Building & Grounds	\$0	\$3,000	\$3,000
026-500251	Memberships	\$0	\$200	\$200
030-500311	Equipment	\$0	\$330,000	\$330,000
039-500188	Telecommunications	\$0	\$700	\$700
041-500801	Audit Fund Set Aside	\$0	\$559	\$559

042-500620	Add'l Fringe COLA	\$0	\$12,856	\$12,856
057-500535	Books, Periodicals and Subscriptions	\$0	\$3,000	\$3,000
059-500117	Full Time Temp	\$0	\$80,980	\$80,980
060-500602	Benefits	\$0	\$41,056	\$41,056
066-500543	Employee Training	\$0	\$900	\$900
070-500704	In-State Travel	\$0	\$1,202	\$1,202
080-500710	Out-of-State Travel	\$0	\$10,579	\$10,579
102-500734	Contracts for Program Services	\$0	\$2,000	\$2,000
548-500396	Reagents	\$0	\$52,000	\$52,000
Total Expenses		\$0	\$559,432	\$559,432

2. Pursuant to the provisions of NH RSA 124:15, Positions Restricted, and subject to the approval of item 1 above, authorize the Department of Health and Human Services, Division of Public Health Services, Public Health Laboratories, Biomonitoring Program to establish five positions utilizing funds from the US Centers for Disease Control and Prevention, Biomonitoring Cooperative Agreement effective upon date of approval by the Fiscal Committee and Governor and Council, through June 30, 2015. Grants funds awarded for periods after SFY 2015 will be included in the operating budgets for SFY 2016-SFY 2017.

- Full-time, temporary (Class 059) position – Toxicologist IV, Labor Grade 29
- Full-time, temporary (Class 059) position – Toxicologist II, Labor Grade 23
- Full-time, temporary (Class 059) position – Public Health Program Manager, Labor Grade 26
- Full-time, temporary (Class 059) position – Program Specialist IV, Labor Grade 25
- Full-time, temporary (Class 059) position – Toxicologist II, Labor Grade 23(to be hired in SFY 16)

The attached letters from Division of Personnel approves the establishment of these positions.

EXPLANATION

The CDC State Biomonitoring Cooperative Agreement serves to increase the capability and capacity of states to conduct biomonitoring and surveillance to assess human exposure to environmental chemicals. Biomonitoring provides human exposure data that can assist in making important public health decisions. Better exposure information helps identify at-risk population groups and assess the effectiveness of interventions. The Division of Public Health Services will use the funding to purchase laboratory equipment and supplies, hire and train toxicologists and epidemiologists, and conduct both targeted and surveillance investigations. Toxicologists will conduct the laboratory analysis and epidemiologists will work to determine exposure risks of New Hampshire residents. CDC program staff will provide technical support and training for the State program.

The New Hampshire Public Health Laboratories will begin working on an arsenic and uranium project analyzing urine and water samples from individuals reliant on private bedrock wells for drinking water. Residents of selected high-risk communities, as determined by local geology, will be invited to participate in this important public health study. Arsenic speciation, which is used to identify which form of arsenic is present, will be conducted on urine specimens with elevated total arsenic.

In future years of the project, the Public Health Laboratories will initiate a state-wide Surveillance Biomonitoring effort, testing blood and urine for chemicals of concern in New Hampshire. The data from these analyses will be useful in determining state-specific background levels of contaminants, identifying emerging concerns, prioritizing resources, and evaluating public health interventions. Biomonitoring data from New Hampshire will inform the Department of Health and Human Services, Division of Public Health Services in implementation of multiple priority areas in the *New Hampshire State Health Improvement Plan*, which are available at <http://www.dhhs.nh.gov/dphs/documents/nhship2013-2020.pdf>.

Funds are budgeted for Overtime, Holiday Pay, Full Time Temporary Personal, and Benefits (Class 018, 019, 059, and 060) if approved in item 2, to support all programmatic activities, based on a likely hire date of February 6, 2015.

Funds are budgeted for Current Expenses (Class 020) for purchase of office supplies, copying, and printing, and other consumable testing supplies.

Funds are budgeted for Maintenance Not Building and Grounds (Class 024) for repairs or parts for general laboratory equipment that support program activities.

Funds are budgeted for Memberships (Class 026) for one of the Toxicologist positions for a membership to a professional association, to include discounts on technical publications. Membership will be for the State position, not an individual, and will be transferrable.

Funds are budgeted for Equipment (Class 030) for purchase of an Inductively Coupled Plasma/Mass Spectrometer, a High Pressure Liquid Chromatograph, a sample refrigerator, four laptop computers and docking stations and a printer for staff.

Funds are budgeted in Telecommunications (Class 039) for telephone and conference calls to support programmatic activities.

Funds are budgeted for Audit costs (Class 041) per state requirements.

Funds are budgeted for Additional Fringe Benefits (Class 042) for post-retirement benefits.

Funds are budgeted for Books, Periodicals, and Subscriptions (Class 057) for access to professional journals and articles, and current research.

Funds are budgeted in Employee Training (Class 066) for analytical training of staff to increase knowledge and skills related to biomonitoring.

Funds are budgeted for In-State Travel (Class 070) to cover travel expenses that staff incur while performing their duties.

Funds are budgeted for Out-of-State Travel (Class 080) to cover travel expenses for meetings mandated by the funder, and for professional development.

Funds are budgeted for Contracts for Program Services (Class 102) to contract with a subject matter expert to advise on the study design.

Funds are budgeted for Reagents (Class 548) to purchase laboratory reagents and testing supplies.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

1) List of personnel involved:

Full-time Toxicologist IV, LG 29, Position # 9T2745
Full-time Toxicologist II, LG 23, Position# 9T2746
Full-time Public Health Program Manager, LG 26, Position# 9T2751
Full-time Program Specialist IV, LG 25, Position # 9T2748
Full-time Toxicologist II, LG 23, Position# 9T2747 (to be hired SFY 16)

2) Nature, need and duration:

Full-time Toxicologist IV, LG 29, Position # 9T2745

This senior analytical chemist will be responsible for technical supervision of the Toxicologist II, establishment of priorities, determination of workflow, biomonitoring laboratory quality assurance, preparation of reports, and analytical testing.

Full-time Toxicologist II, LG 23, Position# 9T2746

This position is essential for the analysis of specimens associated with targeted biomonitoring project activities.

Full-time Public Health Program Manager, LG 26, Position # 9T2751

This senior epidemiologist will be responsible for the overall study design, in consultation with the Chemistry Program Manager and the project toxicologists, supervision of the Public Health Specialist, development of the survey instrument, and the preparation of required applications and forms to achieve project goals.

Full-time Program Specialist IV, LG 25, Position # 9T2748

This Program Specialist will be actively involved in recruitment of study participants, specimen collection activities, and the development of protocols to accomplish programmatic goals.

Full-time Toxicologist II, LG 23, Position# 9T2747 (to be hired SFY 16)

This position is essential for the analysis of specimens associated with surveillance biomonitoring project activities.

All positions are from the date of hire until the project completion.

3) Relationship to existing agency programs:

The Biomonitoring Program will enhance the existing biomonitoring capabilities and capacity of the NH Public Health Laboratories and complement current environmental health activities conducted by local health departments, Division of Public Health Services, and the Department of Environmental Services.

- 4) Has similar program been requested of the Legislature and denied?

No

- 5) Why wasn't funding included in the agency's budget request?

These funds were awarded effective September 1, 2014. It was not known that these funds would be available at the time the agency established its SFY 2014-2015 biennial budget. However, non-salary and non-benefit funds have been added to the Agency's budget request for the SFY 2016-2017 biennial budget. Therefore, this request is for funding for SFY 2015 and funds related to salary and benefits for SFY 2016-2017, subject to the approval of item 1 and item 2 above.

- 6) Can portions of the grant funds be utilized for other purposes?

Federal funds allocated to the State cannot be used for other purposes.

- 7) Estimate the funds required to continue this position:

Position (Salary & Benefits)	SFY 2016	SFY 2017
Toxicologist IV	\$108,654.50	\$112,251.50
Toxicologist II (a)	\$76,681.50	\$79,390.50
PH Program Manager	\$85,230.50	\$88,313.50
Program Specialist IV	\$82,217.00	\$85,230.50
Toxicologist II (b)	\$38,341.25	\$76,631.50

These funds may not be used to offset General Funds as they are specifically granted to the State for the purpose of providing the services described above.

These funds will not change the program eligibility levels. No new program will be established with the acceptance of these funds.

Area served: Statewide.

Source of funds: These funds are 100% Federal from US Centers for Disease Control and Prevention to fund the Biomonitoring Program.

Attached are the Division of Personnel authorizations, Notice of Grant Award and Award History. Notice of these funds was received on August 14, 2014. They were not added to the operating budget because these are new funds recently granted to the State and were not anticipated at the time the budget was developed.

The Honorable Neal M. Kurk, Chairman, and
Her Excellency, Governor Margaret Wood Hassan
December 11, 2014
Page 6

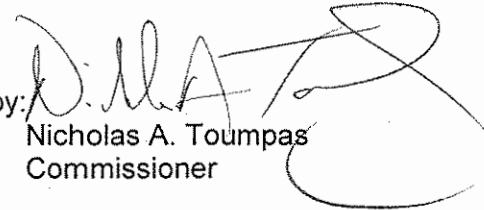
In the event that these Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



José Thier Montero, MD, MHCDS
Director

Approved by:



Nicholas A. Toumpas
Commissioner

JTM/MH/sjw



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

November 24, 2014

Marilyn Doe, Administrator-II
Human Resources
Department of Health and Human Services
Concord, NH 03301

Regarding: Request to establish a full-time temporary Toxicologist IV, labor grade 29

Dear Ms. Doe:

The Division of Personnel approves of your request dated October 6, 2014 to establish a full-time temporary Toxicologist IV, labor grade 29 for the Division of Public Health Services, Bureau of Laboratory Services, and have assigned the position number of 9T2745 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Business Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

November 24, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
Concord, NH 03301

Regarding: Request to establish a full-time temporary Toxicologist II, labor grade 23

Dear Ms. Doe:

The Division of Personnel approves of your request dated October 6, 2014 to establish a full-time temporary Toxicologist II, labor grade 23 for the Division of Public Health Services, Bureau of Laboratory Services, and have assigned the position number of 9T2746 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Business Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



LINDA M. HODGDON
Commissioner
(603) 271-3201

State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

November 24, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
Concord, NH 03301

Regarding: Request to establish a full-time temporary Public Health Program Manager, labor grade 26

Dear Ms. Doe:

The Division of Personnel approves of your request dated October 6, 2014 to establish a full-time temporary Public Health Program Manager, labor grade 26 for the Division of Public Health Services, Bureau of Laboratory Services, and have assigned the position number of 9T2751 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Business Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

November 24, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
Concord, NH 03301

Regarding: Request to establish a full-time temporary Program Specialist IV, labor grade 25

Dear Ms. Doe:

The Division of Personnel approves of your request dated October 6, 2014 to establish a full-time temporary Program Specialist IV, labor grade 25 for the Division of Public Health Services, Bureau of Laboratory Services, and have assigned the position number of 9T2748 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Business Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

November 24, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
Concord, NH 03301

Regarding: Request to establish a full-time temporary Toxicologist II, labor grade 23

Dear Ms. Doe:

The Division of Personnel approves of your request dated October 6, 2014 to establish a full-time temporary Toxicologist II, labor grade 23 for the Division of Public Health Services, Bureau of Laboratory Services, and have assigned the position number of 9T2747 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Business Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



COOPERATIVE AGREEMENTS
Department of Health and Human Services
Centers for Disease Control and Prevention
NATIONAL CENTER FOR ENVIRONMENTAL HEALTH

Notice of Award

Issue Date: 08/14/2014



Grant Number: 1U88EH001142-01
FAIN: U88EH001142

Principal Investigator(s):
Christine Louise Bean, PHD

Project Title: NEW HAMPSHIRE EXPANDED BIOMONITORING PROGRAM

DOLORES COOPER
DPHS FINANCIAL MGR
29 HAZEN DRIVE
DIVISION OF PUBLIC HEALTH SVC
CONCORD, NH 033016504

Budget Period: 09/01/2014 – 08/31/2015
Project Period: 09/01/2014 – 08/31/2019

Dear Business Official:

The Centers for Disease Control and Prevention hereby awards a grant in the amount of \$815,909 (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH ST DEPARTMENT OF HEALTH & HUMAN SERVICES in support of the above referenced project. This award is pursuant to the authority of PHS Act, Sec 1706, 42 USC 300u-5, as amended; Sec 2(d), PL 98-551 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the individual(s) referenced in Section IV.

Sincerely yours,

Glynnis Taylor
Grants Management Officer
Centers for Disease Control and Prevention

Additional information follows

SECTION I – AWARD DATA – 1U88EH001142-01

Award Calculation (U.S. Dollars)

Salaries and Wages	\$175,457
Fringe Benefits	\$87,729
Personnel Costs (Subtotal)	\$263,186
Equipment	\$310,000
Supplies	\$76,667
Travel Costs	\$14,622
Other Costs	\$9,450
Consortium/Contractual Cost	\$6,000

Federal Direct Costs	\$679,925
Federal F&A Costs	\$135,984
Approved Budget	\$815,909
Federal Share	\$815,909
TOTAL FEDERAL AWARD AMOUNT	\$815,909

AMOUNT OF THIS ACTION (FEDERAL SHARE) \$815,909

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

02	\$1,000,000
03	\$1,000,000
04	\$1,000,000
05	\$1,000,000

*815,909/12 x 10 = 679,924
Vok*

Fiscal Information:

CFDA Number: 93.070
 EIN: 1026000618B3
 Document Number: 001142EH14

IC	CAN	2014	2015	2016	2017	2018
EH	939ZTFM	\$815,909	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
1	\$815,909	\$815,909
2	\$1,000,000	\$1,000,000
3	\$1,000,000	\$1,000,000
4	\$1,000,000	\$1,000,000
5	\$1,000,000	\$1,000,000

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project

CDC Administrative Data:

PCC: / OC: 4151 / Processed: ERAAPPS 08/14/2014

SECTION II – PAYMENT/HOTLINE INFORMATION – 1U88EH001142-01

For payment information see Payment Information section in Additional Terms and Conditions.

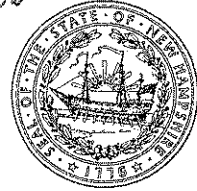
INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hhstips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such

**Award History
NH Expanded Biomonitoring Program
U88EH001142**

Award Ending 08/31/2015 (815,909./12*10)	679,924
Expended through 6/30/14	<u>-</u>
Award Balance 7/1/14	679,924
SFY 15 Appropriation **	(113,320)
OYR	<u>-</u>
Available to Accept in SFY 15	566,604
Amount Requested this Action	<u><u>559,432</u></u>

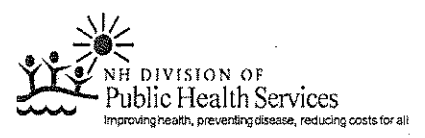
**** SFY 15 Appropriation**

8280 Biomonitoring	Current	OYR	Total	This Action	Revised Budget
Biomonitoring	-	-	-	559,432	559,432
Total 8280	-	#	-	559,432	559,432
Various Allocated cost	113,320		113,320		113,320



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6503
603-271-4988 1-800-852-3345 Ext. 4988
Fax: 603-271-7623 TDD Access: 1-800-735-2964



Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

December 19, 2014

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Public Health Services, to accept and expend federal funds in the amount of \$111,692.00 from the Centers of Disease Control and Prevention to fund the New Hampshire Environmental Public Health Tracking Program effective upon date of approval by the Fiscal Committee and Governor and Council, through June 30, 2015, and further authorize the funds to be allocated as follows. Grant funds awarded for periods after SFY 2015 will be included in the operating budgets for SFY 2016 and SFY 2017.

05-95-90-900510-5173 HEALTH AND SOCIAL SERVICES, DEPARTMENT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH STATISTICS AND INFORMATICS, EPH TRACKING

SFY 2015

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-404369	Federal Funds	\$646,336.00	\$111,692.00	\$758,028.00
Total Revenue		\$646,336.00	\$111,692.00	\$758,028.00
010-500100	Personal Serv – Perm	\$209,046.00	\$0.00	\$209,046.00
020-500200	Current Expenses	\$5,181.00	\$0.00	\$5,181.00
022-500258	Rents-Leases Other Than State	\$300.00	\$0.00	\$300.00
026-500251	Organizational Dues	\$1.00	\$0.00	\$1.00
030-500330	Equipment	\$1.00	\$2,299.00	\$2,300.00
039-500188	Telecommunications	\$1,500.00	\$619.00	\$2,119.00
041-500801	Audit Fund Set Aside	\$608.00	\$109.00	\$717.00
042-500620	Additional Fringe Benefits	\$22,179.00	\$0.00	\$22,179.00
059-500117	Temp Full-Time	\$0.00	\$85,790.00	\$85,790.00
060-500601	Benefits	\$92,616.00	\$18,103.00	\$110,719.00
066-500543	Employee Training	\$2,770.00	\$4,600.00	\$7,370.00

070-500704	In State Travel Reimbursement	\$500.00	\$172.00	\$672.00
080-500710	Out of State Travel	\$9,000.00	\$0.00	\$9,000.00
102-500731	Contracts for Program Services	\$302,634.00	\$0.00	\$302,634.00
Total Expenses		\$646,336.00	\$111,692.00	\$758,028.00

2. Pursuant to the provisions of NH RSA 124:15, Positions Restricted, and subject to the approval of item 1 above, authorize the Department of Health and Human Services, Division of Public Health Services, to establish 3 full-time temporary (Class 059) positions, utilizing funds from The United States Centers for Disease Control/Maintenance and Enhancement of the Environmental Public Health Tracking Network, effective upon date of approval by the Fiscal Committee and Governor and Council, through June 30, 2015. The attached letter from the Division of Personnel contains approval for the establishment of these positions at the requested classifications.

- Full-time, temporary (Class 059) position – Senior Management Analyst, Labor Grade 26
- Full-time, temporary (Class 059) position – Program Planner III, Labor Grade 25
- Full-time, temporary (Class 059) position - Program Planner III Labor Grade 25

EXPLANATION

The environment plays an important role in human health, and for this reason the Division of Public Health Services is responsible for the ongoing collection, integration, analysis, and interpretation of data about environmental hazards and the potential for resultant health effects. The main goal of this particular program is to protect communities by providing information to local public health authorities who will then be able to use the information to plan for, develop, apply, and evaluate public health actions designed to prevent and control environmentally related disease and illness. An example of a specific project would be to work in cooperation with the Department of Environmental Services to develop recommended guidelines for the safe use of freshwater beaches in the event of bacteriological contamination. At present beach safe use guidelines exist only for the marine environment.

Funds in class 030 are needed to purchase 2 laptop computers, docking stations, monitors and keyboards.

Funds in class 039 are being requested due to the increase in class 059.

Funds in class 041 are needed to pay the audit-fee set aside costs.

Funds in class 059 are needed to fund the three new positions.

Funds in class 060 are needed to fund the benefits for the three new positions.

Funds in class 066 are needed are needed to provide new employees with training in the use of advanced statistical techniques for the analysis of health data.

Funds in class 070 are needed to pay for in-state travel costs associated with public presentations and working with local officials.

An increase in the number of staff increases personnel related costs including salary, benefits, in State travel expenses, training, and equipment.

In response to the anticipated two-part question, "Can these funds be used to offset General Funds?" and "What is the compelling reason for not offsetting General Funds?" the Division offers the following information: These funds may not be used to offset General Funds as they are specifically granted to the State for the purpose of providing the services described above.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

1) List of personnel involved:

Senior Management Analyst - 9T2744
Program Planner III (Data Analyst) – 9T2742
Program Planner III (Communication Specialist) – 9T2743

2) Nature, Need and Duration:

Senior Management Analyst - 9T2744 to oversee the collection of health statistics, to prepare reports drawing on advanced statistical techniques, to contribute to national public health data utilization activities in cooperation with the US Centers for Disease Control and Prevention, to aid in the interpretation of analytical results, and finally to provide guidance for the presentation of statistical content.

Data Analyst – 9T2742 to create report templates for displaying environmental health data on the Division of Public Health Services web page, to contribute to national public health data utilization activities in concert with the US Centers for Disease Control and Prevention, to provide quality control for health data and content, and to lead State and local environmental health data utilization projects (tick/Lyme disease surveillance, for example) as required as a condition of federal funding.

Communications Specialist – 9T2743 to oversee all communication activities including collaborations, communication planning, marketing, and outreach in order to inform local officials, community groups, and members of the public of best practices for managing environmental health threats

3) Relationship to existing agency programs:

The Environmental Public Health Tracking Program is an existing program within the Division of Public Health Services.

4) Has a similar program been requested of the legislature and denied:

No.

5) Why wasn't funding included in the agency's budget request?

This increased grant award was received on 8/07/2014.

- 6) Can portions of the grant fund be utilized for other purposes?

This request is 100% federally funded and can only be used for the purposes of the grant award.

- 7) Estimate the funds required to continue these positions:

Position (Salary & Benefits)	FY 2016	FY 2017
Senior Management Analyst	\$91,310	\$91,310
Program Planner III	\$87,411	\$87,411
Program Planner III	\$87,411	\$87,411

These funds will not change the program eligibility levels. No new program will be established with the acceptance of these funds.

Area served: statewide

Source of funds: These funds are 100% Federal from Centers for Disease Control and Prevention (CDC) to fund the New Hampshire Environmental Health Tracking Program. Attached is the Notice of Grant Award and award history. Notice of these funds was received on 08/07/2014. They were not added to the operating budget because these are new funds recently granted to the State and were not anticipated at the time the budget was developed.

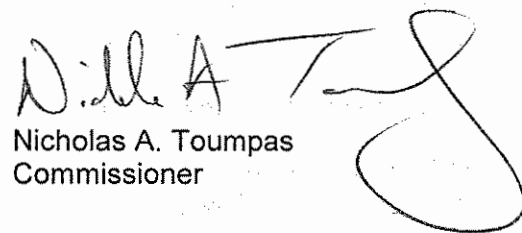
In the event that these Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



José Thier Montero, MD, MHCDS
Director

Approved by:



Nicholas A. Toumpas
Commissioner

JTM/tl



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

October 8, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
129 Pleasant St.
Concord, NH 03301

Regarding: Request to establish a full-time temporary Senior Management Analyst, labor grade 26

Dear Ms. Doe:

The Division of Personnel approves of your request dated September 26, 2014 to establish a full-time temporary Senior Management Analyst, labor grade 26 for the Division of Public Health Services, Public Health Systems and Informatics, and have assigned the position number of 9T2744 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Budget Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

October 8, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
129 Pleasant St.
Concord, NH 03301

Regarding: Request to establish a full-time temporary Program Planner III, labor grade 25

Dear Ms. Doe:

The Division of Personnel approves of your request dated September 26, 2014 to establish a full-time temporary Program Planner III, labor grade 25 for the Division of Public Health Services, Public Health Systems and Informatics, and have assigned the position number of 9T2742 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Budget Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel



State Of New Hampshire
DIVISION OF PERSONNEL
Department of Administrative Services
State House Annex – 28 School Street
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

SARA J. WILLINGHAM
Director of Personnel
(603) 271-3261

October 8, 2014

Marilyn Doe, Administrator II
Human Resources
Department of Health and Human Services
129 Pleasant St.
Concord, NH 03301

Regarding: Request to establish a full-time temporary Program Planner III, labor grade 25

Dear Ms. Doe:

The Division of Personnel approves of your request dated September 26, 2014 to establish a full-time temporary Program Planner III, labor grade 25 for the Division of Public Health Services, Public Health Systems and Informatics, and have assigned the position number of 9T2743 pending approval of funding.

This position number will be inactive until you receive funding approval from the Fiscal Committee per RSA 124:15, and the Position Profile Form (PPF) is subsequently signed off on by the Department of Administrative Services Budget Office.

It will be your responsibility to bring the request for funding before the Fiscal Committee. You may use this letter as confirmation of our decision. Once you have obtained Fiscal Committee approval, please notify me with documentation. Thank you.

Very truly yours,

Jennifer J. Elberfeld
Classification & Compensation Administrator

Cc: Sara J. Willingham, Director of Personnel

**AWARD HISTORY
EPHT
EH000947-04**

Award Ending 07/31/2015	692,280
Award Ending 7/31/2014 5U38EH000947-03 (13)	465,330
Award Ending 7/31/2014 5U38EH000947-02* (12)	784,625
Expended through 6/30/14	
Award Ending 7/31/2014 5U38EH000947-03 (13)	(346,003)
Award Ending 7/31/2014 5U38EH000947-02* (12)	(720,436)
Unobligated Balance Unable to Spend	<u>-</u>
Award Balance 7/1/14	875,796
SFY 15 Appropriation **	(710,528)
Bal Fwd	<u>(53,576)</u>
Available to Accept in SFY 15	111,692
Amount Requested this Action	<u><u>111,692</u></u>

**** SFY 15 Appropriation**

5173-000	Current	OYR	Total	This Action	Revised Budget
EPHT	592,760	53,576	646,336	111,692	758,028
Other AU-000					
Allocated	117,768		117,768		117,768



COOPERATIVE AGREEMENTS
Department of Health and Human Services
Centers for Disease Control and Prevention
NATIONAL CENTER FOR ENVIRONMENTAL HEALTH

Notice of Award

Issue Date: 08/07/2014



Grant Number: 2U38EH000947-04
FAIN: U38EH000947

Principal Investigator(s):
JOSE THEIR MONTERO, MD

Project Title: ENVIRONMENTAL PUBLIC HEALTH TRACKING PROGRAM-NETWORK IMPLEMENTATION

DOLORES COOPER
B. COTTON, FINANCIAL MANAGER
NEW HAMPSHIRE DEPT/HLTH STATISTI
29 HAZEN DRIVE
CONCORD, NH 03301

Budget Period: 08/01/2014 – 07/31/2015
Project Period: 08/01/2011 – 07/31/2017

Dear Business Official:

The Centers for Disease Control and Prevention hereby awards a grant in the amount of \$755,214 (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH ST DEPARTMENT OF HEALTH & HUMAN SERVICES in support of the above referenced project. This award is pursuant to the authority of 301(A)AND317(K)(2)PHS42USC241(A)247B(K)2 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the individual(s) referenced in Section IV.

Sincerely yours,

Ralph U Robinson
Grants Management Officer
Centers for Disease Control and Prevention

Additional information follows

SECTION I – AWARD DATA – 2U38EH000947-04

Award Calculation (U.S. Dollars)

Salaries and Wages	\$252,291
Fringe Benefits	\$147,567
Personnel Costs (Subtotal)	\$399,858
Equipment	\$3,000
Supplies	\$3,685
Travel Costs	\$9,528
Other Costs	\$47,101
Consortium/Contractual Cost	\$171,462

Federal Direct Costs	\$634,634
Federal F&A Costs	\$120,580
Approved Budget	\$755,214
Federal Share	\$755,214
TOTAL FEDERAL AWARD AMOUNT	\$755,214

AMOUNT OF THIS ACTION (FEDERAL SHARE) \$755,214

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

05 \$755,214
06 \$755,214

Fiscal Information:

CFDA Number: 93.070
EIN: 1026000618B3
Document Number: 000947EH14

IC	CAN	2014	2015	2016
EH	939ZPRT	\$755,214	\$755,214	\$755,214

SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
4	\$755,214	\$755,214
5	\$755,214	\$755,214
6	\$755,214	\$755,214

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project

CDC Administrative Data:

PCC: N / OC: 4151 / Processed: ERAAPPS 08/06/2014

SECTION II – PAYMENT/HOTLINE INFORMATION – 2U38EH000947-04

For payment information see Payment Information section in Additional Terms and Conditions.

INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hhtips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous. This note replaces the Inspector General contact information cited in previous notice of award.

-12-



COOPERATIVE AGREEMENTS
Department of Health and Human Services
Centers for Disease Control and Prevention
NATIONAL CENTER FOR ENVIRONMENTAL HEALTH

Notice of Award

Issue Date: 04/03/2014



Grant Number: 5U38EH000947-02 REVISED

Principal Investigator(s):
JOSE THEIR MONTERO, MD

Project Title: PPHF-12-ENVIRONMENTAL PUBLIC HEALTH TRACKING PROGRAM-
NETWORK IMPLEMENTATION

B. COTTON, FINANCIAL MANAGER
NEW HAMPSHIRE DEPT/HLTH STATISTI
29 HAZEN DRIVE
CONCORD, NH 03301

Budget Period: 08/01/2012 – 07/31/2014
Project Period: 08/01/2011 – 07/31/2014

Dear Business Official:

The Centers for Disease Control and Prevention hereby revises this award (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH ST DEPARTMENT OF HEALTH & HUMAN SERVICES in support of the above referenced project. This award is pursuant to the authority of 301(A)AND317(K)(2)PHS42USC241(A)247B(K)2 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the individual(s) referenced in Section IV.

Sincerely yours,

Ralph U Robinson
Grants Management Officer
Centers for Disease Control and Prevention

Additional information follows

SECTION I – AWARD DATA – 5U38EH000947-02 REVISED

Award Calculation (U.S. Dollars)

Salaries and Wages	\$216,912
Fringe Benefits	\$91,314
Personnel Costs (Subtotal)	\$308,226
Equipment	\$4,527
Supplies	\$2,375
Travel Costs	\$9,528
Other Costs	\$51,688
Consortium/Contractual Cost	\$279,186

Federal Direct Costs	\$655,530
Federal F&A Costs	\$129,095
Approved Budget	\$784,625
Federal Share	\$784,625
Less Unobligated Balance	\$68,733
TOTAL FEDERAL AWARD AMOUNT	\$715,892

AMOUNT OF THIS ACTION (FEDERAL SHARE) \$0

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

03 \$715,892

Fiscal Information:

CFDA Number: 93.538
 EIN: 1026000618B3
 Document Number: 000947NE12

IC	CAN	2012	2014
EH	939ZMPY	\$715,892	\$715,892

SUMMARY TOTALS FOR ALL YEARS			
YR	THIS AWARD		CUMULATIVE TOTALS
2		\$715,892	\$715,892
3		\$715,892	\$715,892

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project

CDC Administrative Data:

PCC: N / OC: 4151 / Processed: ERAAPPS 04/03/2014

SECTION II – PAYMENT/HOTLINE INFORMATION – 5U38EH000947-02 REVISED

For payment information see Payment Information section in Additional Terms and Conditions:

INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hhstips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous. This note replaces the Inspector General contact information cited in previous notice of award.

SECTION III – TERMS AND CONDITIONS – 5U38EH000947-02 REVISED

-13-



COOPERATIVE AGREEMENTS
Department of Health and Human Services
Centers for Disease Control and Prevention
NATIONAL CENTER FOR ENVIRONMENTAL HEALTH

Notice of Award

Issue Date: 08/28/2013



Grant Number: 5U38EH000947-03

465,330

Principal Investigator(s):
JOSE THEIR MONTERO, MD

Project Title: PPHF-13-ENVIRONMENTAL PUBLIC HEALTH TRACKING PROGRAM-
NETWORK IMPLEMENTATION

B. COTTON, FINANCIAL MANAGER
NEW HAMPSHIRE DEPT/HLTH STATISTI
29 HAZEN DRIVE
CONCORD, NH 03301

Budget Period: 08/01/2013 – 07/31/2014
Project Period: 08/01/2011 – 07/31/2014

Dear Business Official:

The Centers for Disease Control and Prevention hereby awards a grant in the amount of \$465,330 (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH ST DEPARTMENT OF HEALTH & HUMAN SERVICES in support of the above referenced project. This award is pursuant to the authority of 301(A)AND317(K) (2)PHS42USC241(A)247B(K)2 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the individual(s) referenced in Section IV.

Sincerely yours,

Gladys T Gissentanna
Grants Management Officer
Centers for Disease Control and Prevention

Additional information follows

SECTION I – AWARD DATA – 5U38EH000947-03

Award Calculation (U.S. Dollars)

Salaries and Wages	\$142,436
Fringe Benefits	\$85,357
Personnel Costs (Subtotal)	\$227,793
Equipment	\$12,109
Supplies	\$1,050
Travel Costs	\$6,815
Other Costs	\$52,909
Consortium/Contractual Cost	\$90,358

Federal Direct Costs	\$391,034
Federal F&A Costs	\$74,296
Approved Budget	\$465,330
Federal Share	\$465,330
TOTAL FEDERAL AWARD AMOUNT	\$465,330

AMOUNT OF THIS ACTION (FEDERAL SHARE) \$465,330

Fiscal Information:

CFDA Number: 93.538
EIN: 1026000618B3
Document Number: 000947NE13

IC	CAN	2013
EH	939ZMPY	\$465,330

SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
3	\$465,330	\$465,330

CDC Administrative Data:

PCC: N / OC: 4141 / Processed: ERAAPPS 08/28/2013

SECTION II – PAYMENT/HOTLINE INFORMATION – 5U38EH000947-03

For payment information see Payment Information section in Additional Terms and Conditions.

INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hstips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous. This note replaces the Inspector General contact information cited in previous notice of award.

SECTION III – TERMS AND CONDITIONS – 5U38EH000947-03

This award is based on the application submitted to, and as approved by, CDC on the above-titled project and is subject to the terms and conditions incorporated either directly or by reference in the following:

- The grant program legislation and program regulation cited in this Notice of Award.
- The restrictions on the expenditure of federal funds in appropriations acts to the extent those restrictions are pertinent to the award.
- 45 CFR Part 74 or 45 CFR Part 92 as applicable.
- The HS Grants Policy Statement, including addenda in effect as of the beginning date of the budget period.

ATTORNEY GENERAL
DEPARTMENT OF JUSTICE

FIS 15 006

33 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6397

JOSEPH A. FOSTER
ATTORNEY GENERAL

ANN M. RICE
DEPUTY ATTORNEY GENERAL



January 7, 2015

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Her Excellency, Governor, Margaret Wood Hassan
And the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

1. Pursuant to RSA 124:15, and contingent on the approval of request number two, authorize the New Hampshire Department of Justice to establish one (1) part-time temporary (class 050) Program Specialist IV, LG 24 position to provide New Hampshire's Colleges and Universities with information and support to develop best practices for responding to sexual violence on campus in accordance with state and federal mandates, assist colleges and universities with developing first responder trainings, and promote cross training among crisis centers, law enforcement, and colleges and universities for the period effective upon the Fiscal Committee and Governor and Council approvals through June 30 2015. 100% Agency Income.

Funding is available in the Department of Justice, Grants Administration, account number 02-20-20-201510-2906-500109 titled Sexual Assault Regional Training.

2. Authorize the Department of Justice, Office of Victim Witness to accept a sub-grant from the Department of Justice in the amount of \$72,216 for the purposes of providing New Hampshire's Colleges and Universities with information and support to develop best practices for responding to sexual violence on campus in accordance with state and federal mandates, assist colleges and universities with developing first responder trainings, and promote cross training among crisis centers, law enforcement, and colleges and universities for the period effective upon the Governor and Council approval through June 30 2015. 100% Agency Income.

These funds are to be budgeted in 02-20-20-201510-2906, Department of Justice, Grants Administration, titled Sexual Assault Regional Training as follows:

<u>Class</u>	<u>Description</u>	<u>Current Budget</u>	<u>Request</u>	<u>New Budget</u>
020-500200	Supplies (Consumables)	\$787.00	\$0.00	\$787.00
039-500187	Telecommunications	\$0.00	\$0.00	\$0.00
050-500109	Pers. Service Temp/Apt	\$43,205.00	\$65,211.00	\$108,416.00
060-500612	Benefits	\$3,305.00	\$4,989.00	\$8,294.00
067-500559	Training Facilities Rentals	\$3,066.00	\$0.00	\$3,066.00
070-500704	Travel - In-State	\$1,000.00	\$2,016.00	\$3,016.00
080-500710	Travel- Out of State	\$0.00	\$0.00	\$0.00
Total		\$51,363.00	\$72,216.00	\$123,579.00
Revenue:				
009-403681		(\$51,363.00)	(\$72,216.00)	(\$123,579.00)

EXPLANATION

The approval of this sub grant will support activities to enhance and expand the Sexual Assault Regional Training Program (SART) within the Department of Justice, a program that develops multidisciplinary teams to focus on improvement of the criminal justice system's response to cases of adult sexual assault. Teams include representation from prosecution, law enforcement, medical professionals, victim advocates and others. With the approval of this request the Department will employ a part-time professional with experience in victim services and campus policy and procedures, to coordinate a college-based project ancillary to the statewide SART program. The project coordinator will provide New Hampshire's Colleges and Universities with information and support to develop best practices for responding to sexual violence on campus.

The funds budgeted to support the activities as follows:

Class 020 – Current Expense - to cover office supplies, postage, printing costs and training materials;

Class 039– Telecommunications – for monthly telephone costs;

Class 050- Personnel –Part Time/ Temp - covers salary expenses for a Program Specialist IV position in the Office of Victim/Witness Assistance at the Attorney General's Office, to provide assistance to colleges and universities with developing policy and training to respond to sexual

assault, and promote cross training among crisis centers, law enforcement, and colleges and universities. This position will continue for the period effective upon Fiscal Committee and Governor and Council approval through June 30, 2015, with the potential for extension contingent upon availability of funds;

Class 060 – Benefit expenses to cover FICA and Medicare for the Program Specialist IV position;

Class 067 – Training expenses to cover rental fees for training facilities and professional fees for national experts to speak at training events;

Class 070- In State Travel expenses to cover in-state mileage for the Program Specialist to provide on-site training and consultation to college and university campus professionals statewide;

Class 080 - Out of State Travel expenses to cover travel costs related to training seminars and professional development training as required by the grant conditions.

The following information is provided in accordance with the Comptroller's instructional Memorandum dated September 21, 1981.

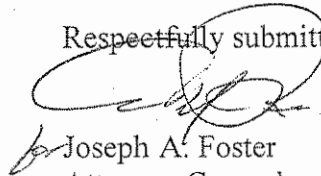
1. **List of personnel involved:** One temporary, part-time classified position (Class 050), Program Specialist IV (LG 24). The position will assist colleges and universities with developing first responder trainings, and promote cross training among crisis centers, law enforcement, and colleges and universities.
2. **Nature, need and duration:** This position will be in effect for the period effective upon Fiscal Committee and Governor and Council approval through June 30, 2015 with extension beyond this period contingent on the availability of funds.
3. **Relationship to existing agency programs:** This funding is to be utilized specifically to establish a Program Specialist IV position in the Department of Justice, Office of Victim/Witness Assistance. By supporting this position at the Department of Justice we would enhance the Sexual Assault Resource Team program of the Office of Victim/Witness Assistance, to more effectively deliver training and development of collaborative teams that will improve the state's response to sexual assault occurring on college and university campuses.
4. **Has a similar program been requested of the legislature and denied?** No similar program has been requested and denied.
5. **Why wasn't funding included in the agency's budget request?** This project was not included in the Department's budget request because the funds were not available at the time the budget was developed nor were the funds expected to be available at a later date with any degree of certainty. The grant was highly competitive.
6. **Can portions of the funds be utilized for other purposes?** No portion of these grant funds can be used for any other purpose.
7. **Estimate the funds required to continue this position(s):** It is estimated that it will cost \$25,190 for salary and benefits for the part time temporary position for one year.

In the event that Federal Funds are no longer available, General Funds will not be requested to support this program.

Your consideration of this request would be most appreciated.

Please let me know if you have any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joseph A. Foster", is written over the typed name.

Joseph A. Foster
Attorney General

JAF/jeb
Enclosures

#114832

STATE OF NEW HAMPSHIRE DEPARTMENT OF JUSTICE GRANT AWARD		
Agency Name:	NHDOJ Campus SA Training	Vendor No.: 177877-B001
Program Name:	NH Sexual Assault Regional Training Program	Amount: \$ 72,216.00
Grant Start Date:	G & C Approval	State Grant Number: 2015ART04
Grant End Date:	06/30/2015	Federal Grant Number: 2014WEAX0036
Appropriation No.:	02-20-20-201510-5907-072-500576	
Head of Agency	Project Director	Fiscal Officer
Joseph Foster Attorney General NH DOJ, 33 Capitol St Concord NH 03301 271-1202	Lynda Ruel, Director Office of Victim/Witness Assist NH DOJ, 33 Capitol St Concord, NH 03301 271-1237	Kathleen B. Carr Director of Administration NH DOJ, 33 Capitol St Concord, NH 271-1234
Federal Grant Name:	OVW Grants to Encourage Arrest Policies	
Federal Agency:	United States Department of Justice	
Bureau/Office:	Office of Justice Programs	
CFDA Number:	16-590	
Purpose of Grant:		
Program Requirements: Adherence to Program Conditions and Guidelines.		
Match Requirements: Match must be spent on program allowable activities.		
Program income Requirements: Program Income must be reported and spent on program allowable activities.		
Reporting Requirements: Monthly or quarterly Financial reports. Required Performance reports and audit. Adherence to Program Conditions and Guidelines. Completion of Monitoring forms and processes.		
Approval	Program Agency	NH Department of Justice
Name	Joseph Foster	Kathleen B. Carr
Title	Attorney General	Director of Administration
Date		
All terms of this grant award are not valid unless signed by both authorized parties.		

Faretra, Rosemary

From: hradmin@das.nh.gov
Sent: Wednesday, December 10, 2014 9:59 AM
To: Faretra, Rosemary; Nieder, Gloria; Barker, Melanie
Subject: lawtaprd Position Request has been Approved

Your request to "Request a New Position" has been approved for:

Reason Code: EST-PT-TMP
Short Description: TMPPT4990
Description Title: Program Specialist IV

Effective Date: 12/01/2014
Work Unit Reference: lawtaprd 257346

Please see comments for any additional information. *Note: We recommend saving the SJD to your internal database immediately.

Additional Comments:

SL- assign TMPPT4990

Saved zip file- attached approved SJD - matched Class Spec for PS IV and verified fields in NH First with attached approved SJD - verified FTE fields. e-mailed SL to process and approve so agency can post - MR 12-9-14

SL- review, logged, assign analyst 12/5/14

This position will be funded by a three year federal grant.

Nina Gardner, Chair
Hon. James E. Duggan, Vice Chair
Gina Apicelli, Esq.
Hon. James P. Bassett
Sen. Sharon M. Carson
Kimberley Casey
John E. Durkin, Esq.
Joseph Foster, Esq.
Donald D. Goodnow, Esq.
Matthew Houde, Esq.
Hon. Edwin W. Kelly
Hon. David D. King



Christopher M. Keating, Executive Director
25 Capitol Street, Room 424
Concord, New Hampshire 03301-6312

Shari J. Landry
Steven D. Lubrano
Henry Mock
Hon. Tina Nadeau
Stephen Reno
Alan Seidman, Ed.D.
Rep. Marjorie Smith
Raymond W. Taylor, Esq.
Mary E. Tenn, Esq.
Richard Y. Uchida, Esq.
Phillip Utter, Esq.
Daniel Will, Esq.

December 1, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, N.H. 03301

Her Excellency, Governor Margaret Wood Hassan
And the Honorable Executive Council
State House
Concord, N.H. 03301

REQUESTED ACTION

Pursuant to RSA 604-A:6, Services Other Than Counsel, and RSA 604-A:1-b, Additional Funding, to authorize the Judicial Council to receive an additional appropriation from funds not otherwise appropriated in the amount of \$270,000 effective upon Fiscal Committee and Governor and Council approval through June 30, 2015. Source of funds is 100% General Fund. Funding is to be budgeted according to the following schedule:

02-07-07-070010-11030000 Ancillary Non-Counsel Services 100% General Funds

Class	Description	Current Budget	Change	Revised Budget
108 (500751)	Provider Payments Legal Services	\$700,000	\$270,000	\$970,000

EXPLANATION

N.H.R.S.A. 604-A:1-b provides that "[i]n the event that expenditures for indigent defense by the Judicial Council are greater than amounts appropriated in the operating budget, the Judicial Council may request, with prior approval of the Fiscal Committee of the General Court, that the Governor and Council authorize additional funding. For funds requested and approved, the Governor is authorized to draw a warrant from any money in the treasury not otherwise appropriated."

Expenditures for indigent defense include court-ordered and constitutionally-mandated expert and other ancillary services, as provided in N.H.R.S.A. 604-A:6, "[i]n any criminal case in which counsel has been appointed to represent a defendant who is financially unable to obtain

investigative, expert or other services necessary to an adequate defense in his case, counsel may apply therefore to the court, and, upon finding that such services are necessary and that the defendant is financially unable to obtain them, the court shall authorize counsel to obtain the necessary services on behalf of the defendant.”

When the courts issue orders providing indigent defendants with services other than counsel, the vendors who provide these services send invoices to the courts for the courts’ review and approval. These court-approved invoices are then sent to the Judicial Council for payment. The Judicial Council has no control over the volume of court-approved invoices it receives for the provision of services other than counsel.

The Council received an appropriation of \$700,000 in this account for State Fiscal Year 2015. Unexpended funds appropriated for State Fiscal Year 2014 in this accounting line rolled over into State Fiscal Year 2015 in the amount of \$1,650. Expenditures for indigent defense services through December 1, 2014 were \$403,654. Funds remaining in account 02-07-07-070010-1103 are \$297,996, and are insufficient to pay the court-approved invoices expected to arrive between December 1, 2014 and the end of the current fiscal year. The monthly average of expenditures in this line since July 1, 2014 is \$80,730 per month; forecast expenditures in the remaining seven months of State Fiscal Year 2015 will equal approximately \$565,000. Accordingly, the Judicial Council requests the addition of \$270,000 to meet the anticipated expenditures in this line through June 30, 2015.

This Agency will remain at your service to provide any requested information concerning the critical importance of this additional funding to the orderly administration of justice.

Thank you for your consideration.

Respectfully submitted,



Christopher Keating
Executive Director



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
 27 Hazen Dr., Concord, NH 03301
 Fax: 603-271-1516 TDD Access: 1-800-735-2964
 www.nh.gov/doit

Steven J. Kelleher
Acting Commissioner

November 13, 2014

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, NH 03301

REQUESTED ACTION

Pursuant to the provisions of Chapter 144:117, Laws of 2013 authorize approval to transfer funds in the amount of \$312,103.00 in State Fiscal Year (SFY) 2015 in Other (Class 027) funds in the Department of Information Technology (DoIT). This transfer will have no impact on General Funds or State Revenue. The transfer is summarized below, effective the date of Legislative Fiscal Committee and Governor and Council approval through June 30, 2015. 100% Other (Agency Class 27) Funds.

In SFY15, funds shall be transferred from 01-03-03-030010-7623, IT for Safety as follows:

From/To	Account	SFY 15 Appropriation	Increase/ (Decrease)	Revised Appropriation
IT for Safety Current Expenses	01-03-03-030010 76230000-020	\$35,663.04	0	\$35,663.04
IT for Safety Technology-Hardware	01-03-03-030010 76230000-037	1,043,758.93	(45,000.00)	998,758.93
IT for Safety Technology-Software	01-03-03-030010 76230000-038	1,514,357.41	(267,103.00)	1,247,254.41
IT for Safety Telecommunications	01-03-03-030010 76230000-039	390,200.00	54,032.00	444,232.00
IT for Safety Consultants	01-03-03-030010 76230000-046	588,202.27	225,776.00	813,978.27
	Totals	\$3,572,181.65	(32,295.00)	\$3,539,886.65
Source of Funds				
001-406305	Transfers from Other Agencies	\$3,572,181.65	(32,295.00)	\$3,539,886.65
	Totals	\$3,572,181.65	(32,295.00)	\$3,539,886.65

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, NH 03301
 November 13, 2014
 Page 2

In SFY15, funds shall be budgeted in 01-03-03-030010-7708, Central IT Services and Ops as follows:

From/To	Account	SFY 15 Appropriation	Increase/ (Decrease)	Revised Appropriation
IT Salaries and Benefits	01-03-03-030010	\$23,359,222.00	0	\$23,359,222.00
Personal Svcs Perim Class	77080000-010			
IT Salaries and Benefits	01-03-03-030010	798,854.00	0	798,854.00
Personal Svcs Unclassified	77080000-012			
IT Salaries and Benefits	01-03-03-030010	449,427.00	0	449,427.00
Overtime	77080000-018			
IT Salaries and Benefits	01-03-03-030010	1,741,347.00	0	1,741,347.00
Additional Fringe Benefits	77080000-042			
IT Salaries and Benefits	01-03-03-030010	211,799.00	30,000.00	241,799.00
Personal Services Temp	77080000-050			
IT Salaries and Benefits	01-03-03-030010	11,816,708.00	2,295.00	11,819,003.00
Benefits	77080000-060			
	Totals	\$38,377,357.00	\$32,295.00	\$38,409,652.00
Source of Funds				
001-406305	Transfers from Other Agencies	\$38,099,008.00	\$32,295.00	\$38,131,303.00
	General Funds	278,349.00	0	278,349.00
	Totals	\$38,377,357.00	32,295.00	\$38,409,652.00

EXPLANATION

The transfer of appropriation reflects adjustments to operating expense accounts to address Department of Information Technology shortfalls in DoIT's Class 039-Telecommunications, Class 046-Consultants, Class 050-Temp and Class 060-Benefits. Although the funds were originally budgeted in Class 037-Technology-Hardware and Class 038-Technology-Software, it was later determined that the appropriation was required in other classes. Class 037-Technology-Hardware had excess appropriation as servers were purchased at the end of FY 2014. Thereby, allowing the Dept. of Safety to transfer funds to other classes. Class 038-Technology -Software was originally budgeted in support of the old Valor CAD, Oracle funding and funds for SmartNet. The agency saved funds by transferring to a new CAD system and by J-One no longer using Oracle as a database. In addition, the multiyear SmartNet contract was negotiated at a reduced cost.

The increase in Class 039-Telecommunications is to cover the cost of supplying aircards to the state troopers. The troopers need aircards to communicate with the eTicket and CRASH systems at HQ. Additional aircards are required to support the new troopers with standard equipment. Additional appropriation is required in Class 046-Consultants to cover the cost of consultants in support of J-One and the Crash Records Management System and additional funding is required in Class 050-Personal Services Temp and the associated benefits for additional part-time staff to support the transition of the legacy mainframe during the VISION project.

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 03301
November 13, 2014
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The following information is provided in accordance with the Budget Officer's instructional memorandum dated April 17, 1985 to support the above requested actions:

A. Justification:

Information technology needs at DoIT have been assessed prior to the submission of this request and it was determined that sufficient surplus existed in Class 037-Technology Hardware and Class 038- Technology-Software to support this request. Additional appropriation is required in DoIT's Class 039-Telecommunications, Class 046-Consultants, Class 050-Temp and Class 060-Benefits.

Does this transfer involve continuing programs or one-time projects?

This transfer involves continuing programs.

B. Is this transfer required to maintain existing program levels or will it increase the program level?

This transfer is required to maintain existing program levels.

C. Cite any requirements, which make this program mandatory.

Not applicable.

D. Identify the source of funds on all accounts listed on this transfer.

The source of funds for this transfer is 100% Other funds. DoIT does not anticipate any impact on General funds as a result of this fiscal transfer.

E. Will there be any effect on revenue as a result of this transfer?

There is no anticipated effect on revenue as a result of this transfer.

F. Are funds expected to lapse if this transfer is not approved?

It is anticipated that some funds will lapse whether or not this transfer is approved.

G. Are personnel services involved?

No.

The Department of Information Technology has conducted a review of DoIT operations to ensure that available funds are maximized to the greatest degree possible.

Respectfully submitted,



Steven J. Kelleher
Acting Commissioner

Item #	Meeting	Department	Chapter / RSA Reference	General	Federal	Other	Total	Positions Established		Comments
								Full-Time	Part-Time	
Note: This summary does not include additional federal American Recovery and Reinvestment Act (ARRA) revenues.										
FISCAL YEAR 2014										
13-165	July'13	Adjutant General's Department	RSA 14:30-a, VI	-	585,000	-	585,000	-	-	
		Adjutant General's Department Total		-	585,000	-	585,000	-	-	
13-163	July'13	Agriculture, Markets and Food, Department of	RSA 14:30-a, VI	-	156,342	-	156,342	-	-	
13-269	Jan'14	Agriculture, Markets and Food, Department of	RSA 14:30-a, VI	-	224,025	-	224,025	-	-	
		Agriculture, Markets and Food, Department of Total		-	380,367	-	380,367	-	-	
14-015	Feb'14	Board of Pharmacy	RSA 14:30-a, VI	-	-	368,871	368,871	1	-	Establishes a temporary full-time position in class 59; FIS 14-166 transfers various amounts between class lines.
		Board of Pharmacy Total		-	-	368,871	368,871	1	-	
14-028	March'13	Cultural Resources, Department of	RSA 14:30-a, VI	-	-	114,625	114,625	-	-	Provides approval for establishing consultant positions
14-029	March'13	Cultural Resources, Department of	RSA 14:30-a, VI	-	697,919	-	697,919	-	3	Establishes 3 temporary part-time positions in class 50
		Cultural Resources, Department of Total		-	697,919	114,625	812,544	-	3	
14-026	March'13	Education, Department of	RSA 14:30-a, VI	-	4,222,476	-	4,222,476	3	1	Establishes 3 temporary full time positions in class 59 and 1 temporary part-time position in class 50
14-026	Apr'13	Education, Department of	RSA 14:30-a, VI	-	-	150,000	150,000	-	-	
		Education, Department of Total		-	4,222,476	150,000	4,372,476	3	1	
13-192	July'13	Energy and Planning	RSA 14:30-a, VI	-	-	200,000	200,000	-	-	
13-223	Oct'13	Energy and Planning	RSA 14:30-a, VI	-	-	200,000	200,000	-	-	
13-286	Jan'14	Energy and Planning	RSA 14:30-a, VI	-	-	99,501	99,501	-	-	
		Energy and Planning Total		-	-	499,501	499,501	-	-	
13-239	Nov'13	Environmental Services, Department of	RSA 14:30-a, VI	-	182,262	-	182,262	-	-	
13-245	Nov'13	Environmental Services, Department of	RSA 14:30-a, VI	-	-	1,250,000	1,250,000	-	-	
13-246	Nov'13	Environmental Services, Department of	RSA 14:30-a, VI	-	-	22,316,661	22,316,661	5	-	Funds are from account held by Justice. See FIS 13-257 for Justice portion of this transaction. FIS 14-126 transferred \$80,900 between several class lines, no increase in funds.
14-087	June'14	Environmental Services, Department of	RSA 14:30-a, VI	-	-	10,000,000	10,000,000	-	-	
		Environmental Services, Department of Total		-	182,262	33,566,661	33,748,923	5	-	
14-022	March'13	DHHS - Division of Children, Youth and Families	RSA 14:30-a, VI	-	422,249	-	422,249	-	-	

ADDITIONAL REVENUES - BIENNIUM ENDING JUNE 30, 2015
Fiscal Committee Approvals Through Meeting of 11/10/14

Item #	Meeting	Department	Chapter / RSA Reference	General	Federal	Other	Total	Positions Established	Comments
		DHHS - Division of Children, Youth and Families Total		-	422,249	-	422,249	-	-
14-102	June'14	DHHS - Division of Child Support Services	RSA 14:30-a, VI	-	1,100,000	-	1,100,000	-	-
		DHHS - Division of Child Support Services Total		-	1,100,000	-	1,100,000	-	-
13-295	Jan'14	DHHS - Division of Client Services	RSA 14:30-a, VI	-	9,544,393	-	9,544,393	-	-
		DHHS - Division of Client Services Total		-	9,544,393	-	9,544,393	-	-
13-224	Oct'13	DHHS - Division of Community Based Care	RSA 14:30-a, VI	-	353,203	-	353,203	-	-
13-256	Nov'13	DHHS - Division of Community Based Care	RSA 14:30-a, VI	-	414,964	-	414,964	-	-
13-290	Jan'14	DHHS - Division of Community Based Care	RSA 14:30-a, VI	-	198,000	-	198,000	-	-
14-088	June'14	DHHS - Division of Community Based Care	RSA 14:30-a, VI	-	5,005,000	5,000,000	10,005,000	-	-
		DHHS - Division of Community Based Care Total		-	5,971,167	5,000,000	10,971,167	-	-
13-232	Oct'13	DHHS - Division of Public Health Services	RSA 14:30-a, VI	-	168,941	-	168,941	-	-
13-233	Oct'13	DHHS - Division of Public Health Services	RSA 14:30-a, VI	-	219,533	-	219,533	-	-
14-019	Feb'14	DHHS - Division of Public Health Services	RSA 14:30-a, VI	-	313,717	-	313,717	-	Provides approval for establishing consultant positions
		DHHS - Division of Public Health Services Total		-	702,191	-	702,191	-	-
13-296	Jan'14	DHHS - Office of the Commissioner	RSA 14:30-a, VI	-	-	36,211	36,211	-	-
13-297	Jan'14	DHHS - Office of the Commissioner	RSA 14:30-a, VI	-	-	22,046	22,046	-	-
13-298	Jan'14	DHHS - Office of the Commissioner	RSA 14:30-a, VI	-	421,538	259,945	681,483	-	-
14-013	Feb'14	DHHS - Office of the Commissioner	RSA 14:30-a, VI	-	70,952	-	70,952	-	-
14-110	June'14	DHHS - Office of the Commissioner	Ch 3:7, II, Laws of 2014	-	(121,658)	(24,124)	(145,782)	-	-
14-111	June'14	DHHS - Office of the Commissioner	Ch 3:7, II, Laws of 2014	-	(582,416)	(228,463)	(810,879)	-	-
14-112	June'14	DHHS - Office of the Commissioner	Ch 3:7, II, Laws of 2014	-	(420,716)	5,727,990	5,307,274	-	-
		DHHS - Office of the Commissioner Total		-	(632,300)	5,793,605	5,161,305	-	-
13-294	Jan'14	DHHS - Office of Human Services	RSA 14:30-a, VI	-	722,837	-	722,837	-	-
		DHHS - Office of Human Services Total		-	722,837	-	722,837	-	-
13-247	Nov'13	Insurance, Department of	RSA 14:30-a, VI	-	2,318,181	-	2,318,181	-	Provides approval for establishing consultant positions
		Insurance, Department of Total		-	2,318,181	-	2,318,181	-	-
13-291	Jan'14	Information Technology, Department of	RSA 14:30-a, VI	-	254,995	-	254,995	-	Provides approval for establishing consultant positions
14-080	June'14	Information Technology, Department of	RSA 14:30-a, VI	-	-	700,000	700,000	-	-
		Information Technology, Department of Total		-	254,995	700,000	954,995	-	-
13-186	July'13	Justice, Department of	RSA 14:30-a, VI	-	91,014	-	91,014	-	-
14-035	March'13	Justice, Department of	RSA 14:30-a, VI	-	-	300,000	300,000	-	-
14-057	Apr'13	Justice, Department of	RSA 14:30-a, VI	-	119,820	-	119,820	1	Establishes an attorney position
		Justice, Department of Total		-	210,834	300,000	510,834	1	-
14-009	Feb'14	Police Standards and Training Council	RSA 14:30-a, VI	-	323,284	-	323,284	-	-
		Police Standards and Training Council Total		-	323,284	-	323,284	-	-
14-056	Apr'13	Public Utilities Commission	RSA 14:30-a, VI	-	-	7,500,000	7,500,000	-	-
		Public Utilities Commission Total		-	-	7,500,000	7,500,000	-	-
13-167	July'13	Resources & Economic Development	RSA 14:30-a, VI	-	84,772	-	84,772	-	-
13-170	Sept'13	Resources & Economic Development	RSA 14:30-a, VI	-	3,009,272	-	3,009,272	-	-
13-200	Sept'13	Resources & Economic Development	RSA 14:30-a, VI	-	205,800	-	205,800	-	-

Item #	Meeting	Department	Chapter / RSA Reference	General	Federal	Other	Total	Positions Established	Comments
13-254	Nov'13	Resources & Economic Development	RSA 14:30-a, VI	-	-	9,100,000	9,100,000		DES accepted federal grant and assigned it directly to entity acquiring the conservation easement.
14-081	June'14	Resources & Economic Development	RSA 14:30-a, VI	-	-	2,563,000	2,563,000		DES accepted federal grant and assigned it directly to entity acquiring the conservation easement.
Resources & Economic Development Total				-	3,299,844	11,663,000	14,962,844	-	-
13-177	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	9,543,746	-	9,543,746		
13-178	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	3,271,590	-	3,271,590		
13-179	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	532,223	-	532,223		
13-180	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	811,162	-	811,162		
13-181	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	5,636,571	-	5,636,571		
13-188	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	982,455	-	982,455		
13-189	Sept'13	Safety, Department of	RSA 14:30-a, VI	-	284,000	-	284,000		
13-217	Oct'13	Safety, Department of	RSA 14:30-a, VI	-	7,500,000	-	7,500,000		
13-225	Oct'13	Safety, Department of	RSA 14:30-a, VI	-	360,599	-	360,599		Provides approval for establishing consultant positions
13-236	Oct'13	Safety, Department of	RSA 14:30-a, VI	-	202,241	-	202,241		
13-280	Jan'14	Safety, Department of	RSA 14:30-a, VI	-	879,887	-	879,887		Provides approval for establishing consultant positions
13-287	Jan'14	Safety, Department of	RSA 14:30-a, VI	-	706,724	-	706,724		
14-001	Feb'14	Safety, Department of	RSA 14:30-a, VI	-	-	149,081	149,081		Provides approval for establishing consultant positions
14-034	March'13	Safety, Department of	RSA 14:30-a, VI	-	-	955,095	955,095		Provides approval for establishing consultant positions; FIS 14-152 changes end date to 6/30/15
14-089	June'14	Safety, Department of	RSA 14:30-a, VI	-	-	149,080	149,080		Provides approval for establishing consultant positions
Safety, Department of Total				-	30,711,198	1,253,256	31,964,454	-	-
13-194	Sept'13	Transportation, Department of	RSA 14:30-a, VI	-	-	887,233	887,233		

Item #	Meeting	Department	Chapter / RSA Reference	General	Federal	Other	Total	Positions Established	Comments
14-036	March'13	Transportation, Department of	RSA 14:30-a, VI	-	-	624,755	624,755		Provides approval for establishing consultant positions
14-045	Apr'13	Transportation, Department of	RSA 14:30-a, VI	-	-	110,000	110,000		
14-103	June'14	Transportation, Department of	RSA 14:30-a, VI	-	2,950,000	-	2,950,000		
14-104	June'14	Transportation, Department of	RSA 14:30-a, VI	-	-	5,200,000	5,200,000		
14-105	June'14	Transportation, Department of	RSA 14:30-a, VI	-	-	6,030,440	6,030,440		
		Transportation, Department of Total		-	2,950,000	12,852,428	15,802,428	-	-
		FY 2014 Total		-	63,966,897	79,761,947	143,728,844	10	4
FISCAL YEAR 2015									
14-119	July'14	Administrative Services, Department of	RSA 14:30-a, VI	-	-	105,670	105,670		
		Administrative Services, Department of Total		-	-	105,670	105,670	-	-
14-142	Sept'14	Environmental Services, Department of	RSA 14:30-a, VI	-	270,270	-	270,270		
		Environmental Services, Department of Total		-	270,270	-	270,270	-	-
14-157	Sept'14	Fish and Game Department	RSA 14:30-a, VI	-	910,000	-	910,000		
14-184	Nov'14	Fish and Game Department	RSA 14:30-a, VI	-	354,025	-	354,025		
		Fish and Game Department Total		-	1,264,025	-	1,264,025	-	-
14-185	Nov'14	DHHS - Division of Childrend, Youth and Families	RSA 14:30-a, VI	-	333,801	-	333,801		
		DHHS - Division of Childrend, Youth and Families Total		-	333,801	-	333,801	-	-
14-148	Sept'14	DHHS - Division of Community Based Care	RSA 14:30-a, VI	-	239,619	-	239,619		
		DHHS - Division of Community Based Care Total		-	239,619	-	239,619	-	-
14-174	Nov'14	Insurance Department	RSA 14:30-a, VI	-	398,777	-	398,777		Request to add consultants
		Insurance Department Total		-	398,777	-	398,777	-	-
14-175	Nov'14	Justice, Department of	RSA 14:30-a, VI	-	106,177	-	106,177		Request to add consultants
14-176	Nov'14	Justice, Department of	RSA 14:30-a, VI	-	370,000	-	370,000		
14-177	Nov'14	Justice, Department of	RSA 14:30-a, VI	-	449,443	-	449,443		
14-186	Nov'14	Justice, Department of	RSA 14:30-a, VI	-	866,833	-	866,833		
		Justice, Department of Total		-	1,792,453	-	1,792,453	-	-
14-144	Sept'14	Resources & Economic Development	RSA 14:30-a, VI	-	159,725	-	159,725		
		Resources & Economic Development Total		-	159,725	-	159,725	-	-
14-173	Nov'14	Safety, Department of	RSA 14:30-a, VI	-	114,682	-	114,682		
14-178	Nov'14	Safety, Department of	RSA 14:30-a, VI	-	1,293,607	-	1,293,607		
		Safety, Department of Total		-	1,408,289	-	1,408,289	-	-
14-149	Sept'14	Transportation, Department of	RSA 14:30-a, VI	-	675,000	-	675,000		
14-150	Sept'14	Transportation, Department of	RSA 14:30-a, VI	-	-	500,000	500,000		
		Transportation, Department of Total		-	675,000	500,000	1,175,000	-	-
		FY 2015 Total		-	6,541,959	605,670	7,147,629	-	-

JOINT LEGISLATIVE FACILITIES COMMITTEE
 LEGISLATIVE BRANCH
 DETAIL OF BALANCE OF FUNDS AVAILABLE
 FISCAL YEAR 2015
 As of 12/30/2014

Legislative Branch:	Org/ Class	Balance Forward	Appropriation	Income	Transfers	Expenditures	Encumb rances	Balance Available
Senate:	1170							
Personal srvs. - members	011		6,821.00			908.25		5,912.75
Personal srvs. - nonclassi	016		1,783,812.00			763,772.59		1,020,039.41
Current expenses	020		44,308.00			30,929.52		13,378.48
Rents-Leases other than state	022		9,500.00			4,463.08		5,036.92
Equipment	030	18,720.00	1,000.00			14,484.99	4,160.00	1,075.01
Telecommunications	039		24,192.00			7,095.52		17,096.48
Legal srvs.& consultants	046		77,000.00			12,500.00		64,500.00
Personal srvs. - temp/app	050		114,910.00			417.75		114,492.25
Benefits	060		618,336.00			298,805.85		319,530.15
Employee training	066		100.00					100.00
Travel:								
In state	070		155,000.00			25,870.62		129,129.38
Out of state	080		11,500.00			1,698.74		9,801.26
President's discretionary fund	285		4,499.00			1,758.96		2,740.04
Contingency	289		1.00					1.00
Total		18,720.00	2,850,979.00	0.00	0.00	1,162,705.87	4,160.00	1,702,833.13

Legislative Branch - continued:

	Org/ Class	Balance Forward	Appropriation	Income	Transfers	Expenditures	Encumb rances	Balance Available
House	1180							
Personal srvs. - members	011		123,100.00					123,100.00
Personal srvs. - nonclassi	016		1,723,196.00			734,811.97		988,384.03
Current expenses	020		55,000.00			16,479.88		38,520.12
Rents-Leases Other than State	022		4,200.00			1,860.05		2,339.95
Maint. Other than bldg/grnd	024	23,556.38	6,000.00			5,904.00	23,556.38	96.00
Equipment	030		3,000.00			371.91		2,628.09
Telecommunications	039		30,000.00			12,102.11		17,897.89
Consultants	046		80,000.00					80,000.00
Personal srvs. - temp/app	050		315,691.00			42,381.99		273,309.01
Benefits	060		849,841.00			293,037.08		556,803.92
Employee training	066		300.00					300.00
Travel:								
In state	070		1,100,000.00			114,683.34		985,316.66
Out of state	080		100,000.00			35,009.13		64,990.87
Speaker's special fund	286		6,000.00			1,392.70		4,607.30
Democratic Leader's Account	287		3,500.00			220.23		3,279.77
Republican Leader's Account	288		3,500.00			263.03		3,236.97
Total		23,556.38	4,403,328.00	0.00	0.00	1,258,517.42	23,556.38	3,144,810.58

Legislative Branch - continued:

		Balance Forward	Appropriation	Income	Transfers	Expenditures	Encumb rances	Balance Available
Operations	1160							
Personal srvs. - nonclassi	016		220,485.00			109,198.70		111,286.30
Current expenses	020		3,000.00			190.82		2,809.18
Telecommunications	039		9,000.00			4,065.40		4,934.60
Benefits	060		154,438.00			67,903.99		86,534.01
Total		0.00	386,923.00		0.00	181,358.91	0.00	205,564.09
Joint Expenses	8677							
Current expenses	020		50,000.00			3,665.74		46,334.26
Rents-Leases Other Than State	022		10,000.00			2,694.85		7,305.15
Organizational Dues	026		128,000.00			126,761.00		1,239.00
Equipment New/Replacement	030		10,000.00					10,000.00
Consultants	046		3,000.00			30.00		2,970.00
Transfer to Other State Agencies	049		3,000.00			3,000.00		0.00
Legislative Printing & Binding	290		285,000.00			13,989.44		271,010.56
Joint Orientation	291		11,000.00			7,234.12		3,765.88
Total		0.00	500,000.00	0.00	0.00	157,375.15	0.00	342,624.85
Less estimated Revenue		1,378.49	-12,000.00	5,537.54	(A)			-5,083.97
Total		1,378.49	488,000.00	5,537.54	0.00	157,375.15	0.00	337,540.88
Joint Legislative Historical Committee	8870-216	136,291.04	10,000.00			3,498.08		142,792.96
Flag Preservation Revenue	8870-3586							
Total		136,291.04	10,000.00	0.00 0.00	0.00	3,498.08	0.00	142,792.96

Legislative Branch - continued:

		Balance Forward	Appropriation	Income	Transfers	Expenditures	Encumb rances	Balance Available
Visitor's Center:	1229							
Personal srvs. - nonclassi	016		104,458.00			51,693.90		52,764.10
Current Expenses	020		750.00			215.23		534.77
Telecommunications	039		1,100.00			409.70		690.30
Benefits	060		55,861.00			24,755.23		31,105.77
Total		0.00	162,169.00		0.00	77,074.06	0.00	85,094.94

Visitor's Ctr. Revolving Fund (G)

	1230							
Souvenir Purchases	106	8,375.62	0.00		38,138.00	15,428.86		31,084.76
Revenue	2016	38,138.00	0.00	27,894.86	(38,138.00)			27,894.86
Total		46,513.62	0.00	27,894.86	0.00	15,428.86	0.00	58,979.62

Legislative Accounting:

	1166							
Personal srvs. - nonclassi	016		223,331.00			115,986.47		107,344.53
Current expenses	020		1,500.00			237.18		1,262.82
Telecommunications	039		900.00			333.73		566.27
Benefits	060		96,173.00			37,144.38		59,028.62
Total		0.00	321,904.00		0.00	153,701.76	0.00	168,202.24

General Court Info. Systems:

	4654							
Personal srvs. - nonclassi	016		417,216.00			165,811.35		251,404.65
Current expenses	020		32,000.00			7,406.79		24,593.21
Technology - Hardware	037		80,000.00			14,142.00		65,858.00
Technology - Software	038		90,000.00			4,441.73	527.97	85,030.30
Telecommunications	039		2,500.00			741.89		1,758.11
Benefits	060		193,676.00			71,502.17		122,173.83
Total		0.00	815,392.00		0.00	264,045.93	527.97	550,818.10

Legislative Branch - continued:	Org/ Class	Balance Forward	Appropriation	Income	Transfers	Expenditures	Encumb rances	Balance Available
Protective Services:	1164							
Personal srvs. - nonclassi	016		391,266.00			194,566.59		196,699.41
Current expenses	020		2,700.00			4.82		2,695.18
Telecommunications	039		4,300.00			2,036.16		2,263.84
Benefits	060		222,969.00			95,765.77		127,203.23
Total		0.00	621,235.00		0.00	292,373.34	0.00	328,861.66
Health Services:	1165							
Current expenses	020		1,500.00			878.42		621.58
Telecommunications	039		500.00			226.13		273.87
Personal srvs. - temp/app	050		69,708.00			19,261.51		50,446.49
Benefits	060		5,333.00			1,473.50		3,859.50
Total		0.00	77,041.00		0.00	21,839.56	0.00	55,201.44
Legislative Services:	1270							
Personal srvs. - nonclassi	016		1,756,618.00			823,074.65		933,543.35
Current expenses	020		19,300.00			9,919.61		9,380.39
Rents-Leases other than State	022		5,500.00			2,416.00		3,084.00
Telecommunications	039		7,000.00			3,141.01		3,858.99
Personal srvs. - temp/app	050		28,366.00			4,027.93		24,338.07
Benefits	060		831,654.00			329,865.73		501,788.27
Employee training	066		1,500.00			219.00		1,281.00
Printing and binding	290		8,000.00			3,230.14		4,769.86
Total		0.00	2,657,938.00		0.00	1,175,894.07	0.00	1,482,043.93
Less estimated revenue	009/2045	585.68	-1,000.00	195.00	©			-219.32
Total		585.68	2,656,938.00	195.00 ©	0.00	1,175,894.07	0.00	1,481,824.61

Legislative Branch - continued:

		Balance Forward	Appropriation	Income	Transfers	Expenditures	Encumb rances	Balance Available
Budget Division:	1221							
Personal srvs. - nonclassi	016		670,358.00		75,000.00	372,822.60		372,535.40
Current expenses	020		10,967.00			1,531.24		9,435.76
Rents-Leases other than State	022		6,000.00			2,972.50		3,027.50
Organizational Dues	026		100.00		1,500.00	1,025.00		575.00
Equipment	030		2,500.00		25,000.00			27,500.00
Telecommunications	039		3,033.00			1,519.59		1,513.41
Consultants	046		15,000.00			1,887.00		13,113.00
Personal srvs. - temp/app	050		88,055.00		(44,000.00)			44,055.00
Benefits	060		225,430.00		115,000.00	146,033.11		194,396.89
Employee training	066		3,500.00					3,500.00
In state travel	070		500.00			208.95		291.05
Out of state travel	080		100.00		2,500.00	2,505.94		94.06
Total		0.00	1,025,543.00		175,000.00	530,505.93	0.00	670,037.07

Legislative Budget Assistant:

Audit Division:	1222							
Personal srvs. - nonclassi	016		2,178,220.00		(175,000.00)	949,976.68		1,053,243.32
Current expenses	020		12,860.00			7,689.10		5,170.90
Rents-Leases other than State	022		100,000.00			97,524.00		2,476.00
Equipment	030		20,000.00					20,000.00
Telecommunications	039		2,040.00			931.81		1,108.19
Consultants	046		570,000.00		200,000.00	294,234.61		475,765.39
Personal srvs. - temp/app	050		51,268.00					51,268.00
Benefits	060		834,052.00		50,000.00	378,865.47		505,186.53
Employee training	066		40,000.00			2,125.00		37,875.00
In state travel	070		15,000.00			3,859.01		11,140.99
Out of state travel	080		100.00					100.00
Total		0.00	3,823,540.00	0.00	75,000.00	1,735,205.68	0.00	2,163,334.32
Less estimated revenue	006/1251	666,531.00	-488,205.00		(250,000.00) (D)			-71,674.00
Total		666,531.00	3,335,335.00	0.00	(175,000.00)	1,735,205.68	0.00	2,091,660.32

Total		893,576.21	17,154,787.00	33,627.40	0.00	7,029,524.62	28,244.35	11,024,221.64
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- (A) Proceeds from the sale of legislative subscriptions, advance sheets, permanent journals, and rosters, and royalties from Lexis Law Publishing.
- (B) Pursuant to Chapter 177:151 State House Visitor's Center Revolving Fund established - Proceeds from sales of souvenirs and expenditures from souvenir purchases transferred to V.C. Revolving account effective 10/18/06.
- (C) Proceeds from sales of photocopies and rulemaking registers.
- (D) Auditing fees



State of New Hampshire

DEPARTMENT OF HEALTH AND HUMAN SERVICES
129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 FAX: 603-271-4912 TDD ACCESS: RELAY NH 1-800-735-2964

NICHOLAS A. TOUMPAS
COMMISSIONER

November 21, 2014

The Hon. Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
Legislative Office Building
104 North State Street
Concord, N.H. 03301

Re: Submission of Final Premium Assistance Waiver, Fiscal Item# 14-195

Dear Chairman Wallner
and Members of the Committee:

In accordance with the Committee's approval of the Premium Assistance Waiver at its November 10, 2014 meeting, I enclose the completed waiver that was submitted yesterday by Governor Hassan to the Centers of Medicare and Medicaid Services ("CMS").

The waiver submitted to CMS is identical to Fiscal Item #14-195 approved by the Committee, except for the addition of the technical appendix related to the Department's proposed budget neutrality demonstration. The budget neutrality forms appear at pages 120 to 138 of the final waiver application. The ability of the Department and its actuary to complete CMS' budget neutrality forms was dependent upon the actuary's access to 2015 premium rate information on Healthcare.gov, which was not publicly available until November 10th. That is the reason the Department required additional time in which to complete these forms. The 2015 premium rate information for plans being offered on the Federally Facilitated Exchange in New Hampshire supports the Department's demonstration that the proposed premium assistance waiver will meet CMS budget neutrality requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey A. Meyers".

Jeffrey A. Meyers

Director, Intergovernmental Affairs

Letter to Legislative Fiscal Committee
November 21, 2014

Enclosures

Cc: Jeffrey A. Pattison
Members, Fiscal Committee
Commissioner Nicholas A. Toumpas
Governor Maggie Hassan

*The Department of Health and Human Services' Mission is to join communities and families in providing
opportunities for citizens to achieve health and independence.*



STATE OF NEW HAMPSHIRE
OFFICE OF THE GOVERNOR

MARGARET WOOD HASSAN
Governor

November 20, 2014

The Honorable Sylvia Mathews Burwell
Secretary, U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Re. New Hampshire Section 1115 Demonstration Waiver for Premium Assistance

Dear Secretary Burwell:

On behalf of the citizens of the State of New Hampshire, I am pleased to submit to the United States Department of Health and Human Services (HHS) the enclosed application for a demonstration waiver under Section 1115 of the Social Security Act.

As authorized by the New Hampshire Health Protection Act (Chapter 3 of New Hampshire Laws of 2014), bipartisan legislation that I signed into law earlier this year, the Demonstration will allow the State to implement a key component of the New Hampshire Health Protection Program - namely, establishing a mandatory qualified health plan premium assistance program ("QHP premium assistance") for individuals in the new adult group.

The Demonstration will further the objectives of Title XIX by promoting continuity of coverage for individuals as they transition across different sources of coverage ensuring consistent access to providers, rationalizing provider reimbursement and enhancing integration and efficiency of public and private coverage in New Hampshire. Ultimately, the Demonstration will provide truly integrated coverage for low-income New Hampshire residents regardless of their income or source of coverage. Additionally, by adding up to an estimated 45,000 persons to the Marketplace, the Program may sustain existing and attract additional QHP carriers, creating a more competitive market which will benefit all individuals purchasing coverage on the Marketplace.

The enclosed application reflects the program elements discussed with the Centers for Medicare and Medicaid Services over the last several months, as well as input from legislators and stakeholders received during the public hearing and comment process in New Hampshire. The State will also submit any State Plan Amendments necessary to effectuate the Demonstration.

Letter to Secretary Burwell
November 20, 2014
Page 2

We appreciate the ongoing assistance of your department as we strive to meet the implementation timeline set forth in our bipartisan legislation and we look forward to your continued support as we implement QHP premium assistance.

With every good wish,



Margaret Wood Hassan
Governor

enc.

cc: Marilyn Tavenner, CMS Administrator
Cindy Mann, JD, CMS Deputy Administrator/Director
Eliot Fishman, PhD, Director, Children and Adults Health Programs Group



FIS 14-195

JEFFRY A. PATTISON
Legislative Budget Assistant
(603) 271-3181

MICHAEL W. KANE, MPA
Deputy Legislative Budget Assistant
(603) 271-3181

State of New Hampshire

OFFICE OF LEGISLATIVE BUDGET ASSISTANT
State House, Room 102
Concord, New Hampshire 03301

STEPHEN C. SMITH, CPA
Director, Audit Division
(603) 271-2785

November 13, 2014

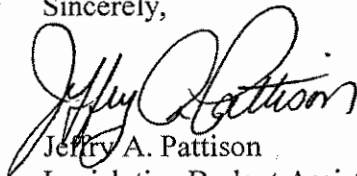
Nicholas Toumpas, Commissioner
Department of Health and Human Services
129 Pleasant Street
Concord, New Hampshire 03301

Dear Commissioner Toumpas,

The Fiscal Committee, pursuant to the provisions of Chapter 3 (SB413), Laws of 2014, codified at RSA 126-A:5, XXIII-XXVI, on November 10, 2014, amended and approved the request of the Department of Health and Human Services for approval of the waiver application to submit to the Centers of Medicare and Medicaid Services for the implementation of the Premium Assistance Program under the New Hampshire Health Protection Program, as specified in your letter dated November 7, 2014.

The Fiscal Committee further authorized the Department of Health and Human Services to make technical and administrative changes which are necessary to reflect the intent of this item as approved, reporting back to the Fiscal Committee all changes made under this approval.

Sincerely,


Jeffrey A. Pattison
Legislative Budget Assistant

JAP/pe
Attachment

Cc: Jeffrey A. Meyers ✓
Director, Intergovernmental Affairs



State of New Hampshire

FIS 14 195

DEPARTMENT OF HEALTH AND HUMAN SERVICES

129 PLEASANT STREET, CONCORD, NH 03301-3857

603-271-9200 FAX: 603-271-4912 TDD ACCESS: RELAY NH 1-800-735-2964

NICHOLAS A. TOUMPAS
COMMISSIONER

November 7, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
Legislative Office Building, 104 North State Street
Concord, NH 03301

Requested Action

Pursuant to the requirements of the New Hampshire Health Protection Act (SB 413), codified at RSA 126-A:5, XXII-XXVI, the New Hampshire Department of Health and Human Services requests approval of the enclosed waiver application to submit to the Centers of Medicare and Medicaid Services for the implementation of the Premium Assistance Program under the New Hampshire Health Protection Program. The approval of this waiver by CMS will allow the New Hampshire Health Protection population to be enrolled in private Qualified Health Plans on the federal marketplace in 2016.

Premium Assistance Program

Under SB 413, as long as CMS approves a premium assistance waiver on or before March 31, 2015, the Voluntary Bridge to Marketplace Program will continue through December 31, 2015, and newly eligible adults who are not in the mandatory HIPP program and who are not deemed to be "medically frail," will begin enrollment into private Qualified Health Plans on the federal marketplace in New Hampshire in October 2015. Coverage under QHPs on the marketplace would begin on January 1, 2016. The purchase of QHPs on the federal marketplace will be paid for with 100% federal funds through December 31, 2016. In accordance with the provisions of SB 413, the Department's application seeks a waiver solely for calendar year 2016.

The enclosed waiver application also includes copies of the public notice issued for the draft waiver, the proposed standard copayment plan for the program, copies of the written public comments received by the Department and the Department's responses to those public comments. We have also enclosed a three page summary of the major waiver features.

We look forward to presenting this waiver to the Committee next Monday.

Sincerely,

Nicholas A. Toumpas, Commissioner

Jeffrey A. Meyers, Director
Intergovernmental Affairs

Enclosures

cc: Jeffrey A. Pattison
Members, Fiscal Committee



New Hampshire
Department of Health and Human Services
&
New Hampshire Insurance Department

*New Hampshire Health Protection Program
Premium Assistance
Section 1115 Research and Demonstration
Waiver*

Final Application

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Section I - Program Description

1) Provide a summary of the proposed Demonstration program, and how it will further the objectives of title XIX and/or title XXI of the Social Security Act (the Act).

On March 27, 2014, Governor Maggie Hassan signed into law Senate Bill 413, an Act relative to health insurance coverage (the "Act"), (2014 NH Laws Chap. 3) establishing the New Hampshire Health Protection Program to expand health coverage in New Hampshire for adults with incomes up to 133 percent of the Federal Poverty Level.¹

The New Hampshire Health Protection Program includes several components: (1) a mandatory Health Insurance Premium Payment Program (HIPP) for individuals with access to cost-effective employer-sponsored insurance; (2) a bridge program to cover the new adult group in Medicaid managed care plans through December 31, 2015; and (3) a mandatory individual qualified health plan (QHP) premium assistance program beginning on January 1, 2016. Coverage for the new adult group became effective on August 15, 2014, and as of September 29, 2014, over 18,000 new adults were enrolled in coverage. This Demonstration is intended to implement the mandatory QHP premium assistance program established in the Act.

Under the Demonstration, the State will implement a mandatory premium assistance program ("Premium Assistance Program" or "Program") through which the State will purchase from insurance carriers QHPs that have been certified for sale in the individual market on the federally facilitated New Hampshire Health Insurance Marketplace. Individuals eligible for the Program will include those covered under Title XIX of the Social Security Act who are either (1) childless adults between the ages of 19 and 65 with incomes at or below 133 percent of the federal poverty level (FPL) who are neither enrolled in (or eligible for) Medicare nor incarcerated² or (2) parents between the ages of 19 and 65 with incomes between 38 percent (for non-working parents) or 47 percent (for working parents) and 133 percent FPL who are neither enrolled in (or eligible for) Medicare nor incarcerated (collectively "QHP Premium Assistance enrollees"). QHP Premium Assistance enrollees will receive the Alternative Benefit Plan (ABP) through a QHP that they select and will have cost-sharing obligations consistent with Medicaid cost-sharing requirements.

¹ While the Patient Protection and Affordable Care Act expands coverage to 133 percent of the federal poverty level, the ACA otherwise establishes a 5 percent disregard for program eligibility, which extends coverage to those persons up to 138 percent of the federal poverty level.

² The term "incarcerated" means "any individual who is an inmate of a public institution (except as a patient in a medical institution)."

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The Demonstration will further the objectives of Title XIX by promoting continuity of coverage for individuals as they transition across different sources of coverage ensuring consistent access to providers, rationalizing provider reimbursement, and enhancing integration and efficiency of public and private coverage in New Hampshire. Ultimately, the Demonstration will provide truly integrated coverage for low-income New Hampshire residents regardless of their income or source of coverage.

Additionally, by adding up to an estimated 45,000 persons to the Marketplace, the Program may attract additional QHP carriers creating a more competitive market, which will benefit all individuals purchasing coverage on the Marketplace.

2) Include the rationale for the Demonstration

This 1115 Demonstration waiver request supports implementation of the Act, which provides an integrated and market-based approach to covering low-income New Hampshire residents through offering new coverage opportunities, stimulating market competition, and offering alternatives to the existing Medicaid program.

The specific purposes of the approach to coverage established in the Act are to:

- Provide private insurance coverage for low-income New Hampshire citizens in a manner that ensures consistent access to coverage across payers and income levels that will help address the issue of churn for the new adult group;
- Rationalize provider reimbursement systems and encourage greater market competition;
- Promote the overall health of low-income citizens by creating sustainable private coverage options; and
- Relieve the burden of uncompensated care in New Hampshire.

The Demonstration program described in this 1115 waiver application is specifically designed to meet the requirements of the Act and address challenges in covering the new adult population.

First, the new adults are likely to have frequent income fluctuations that lead to changes in eligibility. Studies indicate that more than 35 percent of adults will experience a change in eligibility within six months of their eligibility determination.³ These frequent changes in eligibility could lead to (i) coverage gaps during which individuals lack any health coverage, even though they are eligible for coverage and/or (ii) disruptive changes in benefits, provider networks, premiums, and cost-sharing as individuals transition from one source of coverage to another, especially since the same carriers do not currently serve both the Medicaid and commercial markets in New Hampshire.

³ Health Affairs, "Frequent Churning Predicted Between Medicaid and Exchanges," February 2011.

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Additionally, the State has faced challenges attracting carriers to the State because of the small size of the individual and Medicaid markets. The small number of carriers historically operating in these markets limits choice and reduces competition.

Finally, by expanding Medicaid to include nearly all individuals with incomes at or below 133 percent FPL, New Hampshire increased its Medicaid program enrollment by nearly 40 percent. New Hampshire must continue to ensure access to care for Medicaid enrollees that is comparable to access for the general population in the state.

The Demonstration is crafted to address each of these issues and challenges as follows:

- **Continuity of coverage** – For households with some members eligible for coverage under Title XIX and others receiving coverage through the Marketplace, and for individuals whose incomes fluctuate, the Demonstration will create continuity of health plans and provider networks. Individuals and families may receive coverage through the same health plans and may seek treatment and services through the same providers, regardless of whether their underlying coverage is financed by Medicaid or through the insurance affordability programs offered through the Marketplace.

The Demonstration will also promote continuity between Medicaid and QHP coverage by encouraging carriers currently participating in the Medicaid Care Management program to offer coverage in the Marketplace. Because of this, individuals who transition from Medicaid Care Management to QHP coverage upon implementation of the Demonstration may be able to retain the same carrier.

- **Rational provider reimbursement** – New Hampshire fee-for-service Medicaid provides rates of reimbursement that are lower than that of Medicare or commercial payers, causing some providers to forego participation in the program. As part of the New Hampshire Health Protection Program, New Hampshire now requires that Medicaid managed care plans pay most providers at Medicare-levels for individuals in the new adult group. The Demonstration will provide a more sustainable solution by using private market plans, in which provider reimbursement levels are set in a competitive market environment.
- **Uniform provider access** – By leveraging commercial coverage, New Hampshire will ensure that access to providers for individuals in the Demonstration will not be merely comparable to the access afforded to the general population in New Hampshire, as is required under the Social Security Act, but rather that the provider base will be, in fact, identical. Under the Demonstration, the same providers will serve Medicaid and commercial populations, with no segregation of the low-income population.

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- **Integration and efficiency** – New Hampshire is taking an integrated and market-based approach to covering low-income New Hampshire residents, rather than relying on a system for insuring lower income families that is separate and duplicative. This transition to the private market is a more efficient way of covering New Hampshire residents.

Further, the Demonstration improves efficiency in the Marketplace by expanding the population of potential enrollees, potentially attracting new market entrants and promoting competition in the Marketplace.

3) Describe the hypotheses that will be tested/evaluated during the Demonstration’s approval period and the plan by which the State will use to test them.

The Demonstration will authorize the delivery of health insurance benefits to a new group of low-income adults through an alternative to traditional Medicaid programs and will test the following hypotheses during the approval period:

Evaluation Question	Hypothesis	Waiver Component Being Addressed	Data Source
What are the effects of the QHP premium assistance plan on member quality of care?	QHP premium assistance enrollees will have equal or better quality of care (e.g., preventive visits, primary care, etc.).	Comparability of delivery system and freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	CHIS & Medicaid claims and encounter data, CAHPS
	QHP premium assistance enrollees will report equal or greater satisfaction with their health care.	Comparability of delivery system and freedom of choice	CAHPS
	QHP premium assistance enrollees will report equal or greater satisfaction with their personal doctor.	Comparability of delivery system and freedom of choice	CAHPS
	QHP premium assistance enrollees will report equal or greater satisfaction with their health plan.	Comparability of delivery system and freedom of choice	CAHPS
What are the effects of the QHP premium assistance plan on member access to care?	QHP premium assistance enrollees will have equal or greater timely access to primary, specialty, and behavioral health care services.	Comparability of delivery system and freedom of choice	CHIS & Medicaid claims and encounter data, CAHPS

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Evaluation Question	Hypothesis	Waiver Component Being Addressed	Data Source
	QHP premium assistance enrollees will have equal or lower use of emergency department services.	Comparability of delivery system and freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	CHIS & Medicaid claims and encounter data
	QHP premium assistance enrollees will have equal or lower rates of potentially avoidable ambulatory care sensitive hospital admissions.	Comparability of delivery system and freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	CHIS & Medicaid claims and encounter data
	QHP premium assistance enrollees will have equal or greater access to needed non-emergency transportation whether delivered by the QHP or delivered through a Medicaid FFS wraparound.	Comparability of delivery system and freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	CHIS & Medicaid claims and encounter data
	19-20 year old QHP premium assistance enrollees will have equal or greater access to EPSDT services whether delivered by the QHP or delivered through a Medicaid FFS wraparound.	Comparability of delivery system and freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	CHIS & Medicaid claims and encounter data
What are the effects of the QHP premium assistance plan on member insurance coverage (uptake) and coverage gaps and loss of coverage?	QHP premium assistance enrollees will experience equal or less coverage gaps and loss of coverage (regardless of source of coverage).	Freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	Enrollment data
	QHP premium assistance enrollees will maintain continuous access to a regular source of health care.	Freedom of choice; Limit retroactive coverage to application date (vs. 90 day retrospective).	Survey
	Potentially eligible NHHPP Medicaid enrollees will be equal or more likely to enroll in NHHPP into QHP premium assistance than HPP-Bridge MCM.	Freedom of choice	Enrollment projection and trends

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Evaluation Question	Hypothesis	Waiver Component Being Addressed	Data Source
What are the effects of the QHP premium assistance plan copayments on members?	The copayments will not pose a barrier to accessing care	Comparability of cost sharing	CHS & Medicaid claims and encounter data

4) Describe where the Demonstration will operate, i.e., statewide, or in specific regions within the State. If the Demonstration will not operate statewide, please indicate the geographic areas/regions of the State where the Demonstration will operate

The Demonstration will operate statewide.

5) Include the proposed timeframe for the Demonstration

The Act authorizes the Premium Assistance Program for the single calendar year of 2016. Accordingly, approval is sought for a one-year demonstration. Were the legislature to reauthorize the Program prior to the end of the 2016 legislative session in June, 2016, New Hampshire would seek to extend the proposed time frame for the demonstration for up to two additional years, with precise timeframes dependent upon the terms of such reauthorization.

6) Describe whether the Demonstration will affect and/or modify other components of the State's current Medicaid and CHIP programs outside of eligibility, benefits, cost sharing or delivery systems

No. The demonstration will not modify the State's current Medicaid and CHIP programs outside of eligibility, benefits, cost-sharing or delivery systems.

Section II – Demonstration Eligibility

1) Include a chart identifying any populations whose eligibility will be affected by the Demonstration (an example is provided below; note that populations whose eligibility is not proposed to be changed by the Demonstration do not need to be included).

Please refer to Medicaid Eligibility Groups: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/List-of-Eligibility-Groups.pdf> when describing Medicaid State plan populations, and for an expansion eligibility group,

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please provide the state name for the groups that is sufficiently descriptive to explain the groups to the public.

The Demonstration will not affect any of the eligibility categories or criteria that are set forth in the New Hampshire Medicaid State Plan (hereinafter "State Plan").

Participation in the Demonstration, however, will be mandatory for QHP Premium Assistance-eligible individuals. QHP Premium Assistance Individuals will consist of those new adults as defined in § 1902(a)(10)(A)(i)(VIII), who are not eligible for the New Hampshire Health Insurance Premium Assistance Program for persons with access to cost-effective employer sponsored insurance and who are not medically frail. Individuals who qualify for the QHP Premium Assistance program will be required to receive coverage through QHPs, and those QHP eligible persons who decline coverage through QHPs will not be permitted to receive benefits through the State Plan.

Eligibility Chart

Mandatory State Plan Groups

Eligibility Group Name	Social Security and CFR Sections	Income Level

Optional State Plan Groups

Eligibility Group Name	Social Security and CFR Sections	Income Level

Expansion Populations

Eligibility Group Name	N/A	Income Level

2) Describe the standards and methodologies the state will use to determine eligibility for any populations whose eligibility is changed under the Demonstration, to the extent those standards or methodologies differ from the State plan.

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When determining whether an individual is eligible for QHP Premium Assistance, New Hampshire will apply the same eligibility standards and methodologies as those articulated in the State Plan.

3) Specify any enrollment limits that apply for expansion populations under the Demonstration.

There are no caps on enrollment in the Demonstration. To be eligible to participate in the Demonstration an individual must: (1) be a childless adult between 19 and 65 years of age, with an income at or below 133 percent FPL who is neither enrolled in (or eligible for) Medicare nor incarcerated or be a parent between 19 and 65 years of age, with an income between 38 percent FPL (non-working parents)/47 percent FPL (working parents) and 133 percent FPL who is neither enrolled in (or eligible for) Medicare nor incarcerated and (2) be a United States citizen or a documented, qualified alien. Individuals in the above described population who either identify as medically frail or are eligible to receive premium assistance for employer-sponsored insurance will not be eligible for the Demonstration.

Description	Income	Age	Exceptions
Adults in Section VIII Group	<i>Childless Adults: 0-133 percent FPL</i> <i>Non-Working Parents: 38-133 percent FPL</i> <i>Working Parents: 47-133 percent</i>	19-65	<ul style="list-style-type: none"> ▪ Dual Eligibles ▪ Individuals who are medically frail ▪ Incarcerated individuals ▪ Individuals who qualify for premium assistance for employer-sponsored insurance

4) Provide the projected number of individuals who would be eligible for the Demonstration, and indicate if the projections are based on current state programs (i.e., Medicaid State plan, or populations covered using other waiver authority, such as 1915(c)). If applicable, please specify the size of the populations currently served in those programs.

Up to 45,000 individuals are anticipated to enroll in the Demonstration as the new adult group established under Section 1902(a)(10)(A)(i)(VIII). It is projected that roughly 90 percent of newly eligible Medicaid enrollees will also be eligible for the Demonstration, with the remaining 10 percent of the new adults ineligible for the Demonstration due to medical frailty or because they are eligible to receive premium assistance for employer-sponsored insurance. Individuals who identify as medically frail will receive coverage either under the ABP or standard coverage under the State Plan.

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5) To the extent that long term services and supports are furnished (either in institutions or the community), describe how the Demonstration will address post-eligibility treatment of income, if applicable. In addition, indicate whether the Demonstration will utilize spousal impoverishment rules under section 1924, or will utilize regular post-eligibility rules under 42 CFR 435.726 (SSI State and section 1634) or under 42 CFR 435.735 (209b State)

N/A. Long-term services and supports will not be provided through the Demonstration, since the ABP, as set forth in the State Plan, does not cover long-term services and supports.

6) Describe any changes in eligibility procedures the state will use for populations under the Demonstration, including any eligibility simplifications that require 1115 authority (such as continuous eligibility or express lane eligibility for adults or express lane eligibility for children after 2013).

N/A. The State will not institute continuous eligibility or express lane eligibility.

7) If applicable, describe any eligibility changes that the state is seeking to undertake for the purposes of transitioning Medicaid or CHIP eligibility standards to the methodologies or standards applicable in 2014 (such as financial methodologies for determining eligibility based on modified adjusted gross income), or in light of other changes in 2014.

N/A

Section III – Demonstration Benefits and Cost Sharing Requirements

1) Indicate whether the benefits provided under the Demonstration differ from those provided under the Medicaid and/or CHIP State plan:

Yes No (if no, please skip questions 3 – 7)

2) Indicate whether the cost sharing requirements under the Demonstration differ from those provided under the Medicaid and/or CHIP State plan:

Yes No (if no, please skip questions 8 - 11)

3) If changes are proposed, or if different benefit packages will apply to different eligibility groups affected by the Demonstration, please include a chart specifying the benefit package that each eligibility group will receive under the Demonstration (an example is provided):

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Benefit Package Chart

Eligibility Group	Benefit Package

4) If electing benchmark-equivalent coverage for a population, please indicate which standard is being used:

- Federal Employees Health Benefit Package
- State Employee Coverage
- Commercial Health Maintenance Organization
- Secretary Approved

Since individuals in the new adult group are required to receive coverage through the Alternative Benefit Plan ("ABP"), the State is not electing ABP-equivalent coverage for a population; instead, the State is providing the statutorily required benefit package. New Hampshire's State Plan Amendment outlines its selection of a Secretary-approved ABP.

5) In addition to the Benefit Specifications and Qualifications form: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/Interim1115-Benefit-Specifications-and-Provider-Qualifications.pdf>, please complete the following chart if the Demonstration will provide benefits that differ from the Medicaid or CHIP State plan, (an example is provided).

N/A. Benefits are the same under the Demonstration and the State Plan.

Benefit Chart

Benefit	Description of Amount, Duration, and Scope	Reference

Benefits Not Provided

Benefit	Description of Amount, Duration, and Scope	Reference

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Although the benefits in the ABP will be identical across the State Plan and the Demonstration, the appeals process relating to coverage determinations will differ. Under the Demonstration, QHP Premium Assistance enrollees will use their QHP appeals process to appeal denials of benefits covered under the QHP. (QHP Premium Assistance enrollees will continue to use the Medicaid appeals process for denials of wrapped benefits.) All QHP carriers must comply with federal and state standards governing internal insurance coverage appeals. Additionally, all QHP carriers must comply with New Hampshire standards governing external review of insurance coverage appeals⁴, which CMS has found to be consistent with Affordable Care Act external review standards.⁵ QHP Premium Assistance enrollees will have access to the following two levels of appeals:

Internal Review

Each QHP must provide all enrollees with:

- 1) Notice identifying the claim or claims being denied;
- 2) A description of the reason for the denial;
- 3) Copies of the guidelines used to deny the claim; and
- 4) Notice that the recipient may request more explanation of the reason for the denial.

Any enrollee whose claim for health care is denied or is not acted upon with reasonable promptness may:

- 1) Appeal to the QHP; and
- 2) Present evidence and testimony to support the claim.

The QHP must render a decision regarding an internal appeal within:

- 1) 72 hours for denial of a claim for urgent care;
- 2) 30 days for non-urgent care that has not yet been delivered; and
- 3) 60 days for denials of services already delivered.

External Review

If the QHP does not render a decision within the timeframe specified above, or affirms the denial in whole or in part, the enrollee may request review, and in some cases expedited review, by a Qualified Independent Review Organization (QIRO) that has been selected by the New Hampshire Insurance Department (NHID). Each QIRO must use qualified and impartial

⁴ Multi-state plans administered by the federal Office of Personal Management are not subject to state appeal or external review standards; for this reason, New Hampshire anticipates excluding these plans from the Demonstration, subject to ensuring sufficient choice of QHPs for enrollees.

⁵ See http://www.cms.gov/CCIIO/Resources/Files/external_appeals.html.

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clinical reviewers who are experts in the treatment of the enrollee's medical condition and have recent or current actual clinical experience treating patients similar to the enrollee. Additionally, under NHID administrative rules the enrollee is permitted to submit a statement in writing to support its claim, may receive an oral or in-person hearing, and is entitled to assistance from NHID consumer services staff upon request.⁶ The QIRO will render its decision in 45 days, or within 72 hours in the case of an expedited review.

6) Indicate whether Long Term Services and Supports will be provided.

___ Yes (if yes, please check the services that are being offered) X No

In addition, please complete the: <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/List-of-LTSS-Benefits.pdf>, and the: <http://www.medicare.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/Long-Term-Services-Benefit-Specifications-and-Provider-Qualifications.pdf>.)

- Homemaker
- Case Management
- Adult Day Health Services
- Habilitation – Supported Employment
- Habilitation – Day Habilitation
- Habilitation – Other Habilitative
- Respite
- Psychosocial Rehabilitation
- Environmental Modifications (Home Accessibility Adaptations)
- Non-Medical Transportation
- Home Delivered Meals Personal
- Emergency Response
- Community Transition Services
- Day Supports (non-habilitative)
- Supported Living Arrangements
- Assisted Living
- Home Health aide
- Personal Care Services
- Habilitation – Residential Habilitation
- Habilitation – Pre-Vocational
- Habilitation – Education (non-IDEA Services)
- Day Treatment (mental health service)
- Clinic Services

⁶ N.H. Code of Admin. Rules Ins 2703.05 and Ins 2703.09(g).

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- Vehicle Modifications
- Special Medical Equipment (minor assistive devices)
- Assistive Technology
- Nursing Services
- Adult Foster Care
- Supported Employment
- Private Duty Nursing
- Adult Companion Services
- Supports for Consumer Direction/Participant Directed Goods and Services
- Other (please describe)

7) Indicate whether premium assistance for employer sponsored coverage will be available through the Demonstration.

Yes (if yes, please address the questions below)

No (if no, please skip this question)

a) Describe whether the state currently operates a premium assistance program and under which authority, and whether the state is modifying its existing program or creating a new program.

N/A. The State has a premium assistance program for employer-sponsored coverage that is currently in place, and the Demonstration will not affect that program.

b) Include the minimum employer contribution amount.

N/A

c) Describe whether the Demonstration will provide wrap-around benefits and cost-sharing.

N/A

d) Indicate how the cost-effectiveness test will be met.

N/A

8) If different from the State plan, provide the premium amounts by eligibility group and income level.

No enrollees will pay premiums under the Demonstration.

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9) Include a table if the Demonstration will require copayments, coinsurance and/or deductibles that differ from the Medicaid State plan (an example is provided):

QHP Premium Assistance enrollees with incomes below 100 percent FPL will not have cost-sharing obligations. Individuals with incomes of 100-133 percent FPL will be responsible for cost-sharing in amounts consistent with Medicaid cost-sharing rules, as laid out in standardized cost-sharing requirements that the NHID will establish for those QHPs that will be available to QHP Premium Assistance enrollees. New Hampshire will amend its State Plan to reflect these cost-sharing amounts applicable for individuals with incomes above 100 percent FPL, effective January 1, 2016. For individuals with income between 100-133 percent FPL, aggregate quarterly cost-sharing will be capped at 5 percent of quarterly household income. A table identifying the copayments applicable to individuals with incomes of 100-133 percent FPL is included in the Appendix to the waiver application.

Demonstration participants will not be required to pay a deductible prior to receiving coverage. Providers will collect all applicable co-payments at the point of care. Enrollees' aggregate amount of co-payments will be monitored to ensure that they do not exceed the annual limit.

New Hampshire will pay QHP issuers advance monthly cost-sharing reduction (CSR) payments to cover the costs associated with the reduced cost-sharing for QHP Premium Assistance enrollees. The State will rely on the federal Marketplace's calculation of the advance monthly CSR payments for individuals between 138 and 150 percent FPL. Issuers will receive per member per month payments during the benefit year on the basis of this formula. Issuers may request mid-year adjustments to the monthly advance CSR payments if they can demonstrate that the advance CSR amount significantly over- or under-estimates utilization.

These payments will be subject to reconciliation at the conclusion of the benefit year based on enrollees' actual usage of services. Each QHP issuer will report actual cost-sharing reduction amounts to HHS (for members receiving APTCs/CSRs) and New Hampshire Medicaid (for members enrolled in the QHP Premium Assistance program) to reconcile CSR amounts with the advance payments. The New Hampshire Medicaid process for such reconciliations will be modeled on the HHS process. HHS has announced that issuers may choose one of two methods to calculate the actual cost-sharing reductions. The standard method requires the issuer to adjudicate each claim and determine the plan's liability twice: first calculating plan liability using the standard silver plan cost sharing and a second time with reduced cost sharing under the silver plan variant. The CSR payment the issuer is entitled to is the difference between the second number and the first. The simplified methodology does not require re-adjudication of claims. Instead, issuers will enter certain basic cost sharing parameters of its silver plans into a formula that will model the amount of CSR payments, based on total incurred claims. Issuers may choose either method, but a single issuer must apply the same method to all its plans. See 45 C.F.R. § 156.430(c) for additional details.

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As part of the cost-sharing reconciliation, New Hampshire Medicaid will establish a process with QHP issuers whereby the issuer will pay the provider for deductible amounts, and Medicaid will reimburse the issuer for these payments.

Copayment Chart

Eligibility Group	Benefit	Copayment Amount

10) Indicate if there are any exemptions from the proposed cost sharing.

Yes. All individuals who are statutorily required to be exempt from cost sharing will be exempt from cost sharing under the Demonstration, including pregnant women and American Indians/Alaskan Natives. Additionally, the State requests waiver authority to exempt individuals from cost sharing while they are receiving coverage through fee-for-service Medicaid pending enrollment in a QHP or Medicaid managed care plan (for medically frail individuals or other individuals excluded from the Demonstration).

Section IV – Delivery System and Payment Rates for Services

1) Indicate whether the delivery system used to provide benefits to Demonstration participants will differ from the Medicaid and/or CHIP State plan:

- Yes
- No (if no, please skip questions 2 – 7 and the applicable payment rate questions)

2) Describe the delivery system reforms that will occur as a result of the Demonstration, and if applicable, how they will support the broader goals for improving quality and value in the health care system. Specifically, include information on the proposed Demonstration’s expected impact on quality, access, cost of care and potential to improve the health status of the populations covered by the Demonstration. Also include information on which populations and geographic areas will be affected by the reforms.

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By leveraging premium assistance to purchase private coverage for QHP Premium Assistance enrollees, the Demonstration will improve quality and value in the healthcare system not only for program enrollees but also for other New Hampshire residents who obtain health insurance coverage in the individual market.

First, the Demonstration will support continuity of care in a population that experiences a high rate of income fluctuation. Reducing gaps in coverage and interruptions in established provider relationships and treatment plans will result in higher utilization of timely preventive care and will assure continuity of treatment of chronic illnesses that left untreated even in the short term result in higher costs to the Medicaid program as the individual's health declines.

Sustaining continuity of care is also key to achieving positive health outcomes and/or mitigating the erosion of health status, where quality of care and the tracking of clinical risk scores will be measured through the established New Hampshire DHHS/Medicaid Quality Program. In partnership with the State's Department of Insurance and the Division of Public Health Services, the health of this population will be monitored and compared to the overall health of the New Hampshire population and national population health metrics in both commercial and public funded insurance coverage programs. Both of these assessments will inform decision making and policy development for the future that will be aimed at providing the most efficient and cost-effective care while meeting fiduciary responsibilities for the wise investment of limited federal and state funds.

Second, the Demonstration will support the State's commitment to the integration of primary care and behavioral health care (including substance use disorders) and provide access to the QHP provider network. The State's commitment and the inclusion of SUD as one of the ten essential health benefits is driving a market reaction where investment in primary care, mental health and SUD provider education is increasing as evidenced by a number of New Hampshire universities establishing advance practice nursing programs and graduate degree programs in mental health related disciplines where none previously existed. By participating in Marketplace QHP networks, providers will receive reimbursements that reflect the commercial, private market. As more primary care, SUD and mental health providers participate in the New Hampshire Health Protection Program it expands options and stimulates investment in the health care delivery system for all Medicaid, CHIP and New Hampshire Health Protection Program enrollees.

Also, by nearly doubling the number of individuals who will enroll in QHPs, the Demonstration is expected to encourage carrier entry and competition in the Marketplace.

Taken together, the factors described above will improve quality, promote access, and potentially reduce the growth of health care costs statewide. All New Hampshire residents who obtain coverage in the individual market will benefit from improved quality and increased

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competition spurred by the Demonstration. And all Medicaid enrollees, including those served through fee-for-service Medicaid, will benefit from spreading the growing Medicaid population across a broader network of providers.

3) Indicate the delivery system that will be used in the Demonstration by checking one or more of the following boxes:

- Managed care
 - Managed Care Organization (MCO)
 - Prepaid Inpatient Health Plans (PIHP)
 - Prepaid Ambulatory Health Plans (PAHP)
- Fee-for-service (including Integrated Care Models) Primary Care Case Management (PCCM)
- Health Homes
- Other (please describe)

The Demonstration is utilizing Premium Assistance to purchase QHPs in the individual market, and not Medicaid managed care plans, to deliver benefits. Although the Medicaid managed care regulations do not apply to the proposed premium assistance model, the State responds to the questions below that refer to managed care to provide additional detail and context for its proposal to leverage qualified health plans as the delivery system for the Demonstration.

The Demonstration will use premium assistance to purchase cost-effective QHP coverage for Program enrollees. Each beneficiary will have the option to choose between at least two plans that have been certified as QHPs by the federally-facilitated Marketplace, and that meet criteria that have been developed to ensure that the selected plans are cost-effective, both in terms of their premium levels and in terms of their management of care. New Hampshire anticipates that Program enrollees will select among QHPs that include managed care features and emphasize the use of in-network providers.

For enrollees with incomes between 100 percent and 133 percent of the FPL, New Hampshire expects these plans will be 94 percent AV high-value silver plans that have been certified as QHPs and that conform to a standard cost-sharing design outlined by the NHID that is consistent with Medicaid cost-sharing requirements. For program enrollees with incomes below 100 percent of the FPL, New Hampshire expects these plans will be 100 percent AV high-value silver plans.

In keeping with the program's cost-effectiveness requirements, New Hampshire will reserve the right to exclude QHPs that are significant cost-outliers.

Additionally, the State will provide through its fee-for-service Medicaid program wrap-around benefits that are included in the ABP but not covered by qualified health plans—namely, non-

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emergency transportation, adult vision and limited adult dental benefits, and Early Periodic Screening Diagnosis and Treatment (EPSDT) services for individuals participating in the Demonstration who are under age 21 (including pediatric vision and dental services, as well as other EPSDT services to the extent such services are not covered under the QHP). EPSDT services are relevant to the QHP Premium Assistance program only because the Affordable Care Act defines 19 and 20 year olds as children for purposes of service benefit requirements, but adults for purposes of eligibility. If family planning services are accessed at out-of-network providers, the State's fee-for-service Medicaid program will cover those services, as required under federal Medicaid law.

4) If multiple delivery systems will be used, please include a table that depicts the delivery system that will be utilized in the Demonstration for each eligibility group that participates in the Demonstration (an example is provided). Please also include the appropriate authority if the Demonstration will use a delivery system (or is currently seeking one) that is currently authorized under the State plan, section 1915(a) option, section 1915(b) or section 1932 option:

Delivery System Chart

Eligibility Group	Delivery System	Authority

5) If the Demonstration will utilize a managed care delivery system:

As is noted above, the Demonstration is utilizing Premium Assistance to purchase QHPs in the individual market—not Medicaid managed care plans—to deliver benefits. The State nevertheless responds to the questions discussing Medicaid managed care plans to provide additional information about the Demonstration. Each of the responses to questions 5a – 5e are answered as though the questions refer to QHPs, rather than “managed care” or “MCOs.”

a) Indicate whether enrollment be voluntary or mandatory. If mandatory, is the state proposing to exempt and/or exclude populations?

For individuals who are eligible for the QHP Premium Assistance program, enrollment in a QHP will be mandatory. Individuals who are identified as medically frail are not eligible for the QHP Premium Assistance program, and such individuals will be excluded from enrolling in QHPs. All individuals who indicate on their Medicaid eligibility application that they either (1) have a physical, mental, or emotional condition that causes limitations in daily activities (like bathing, dressing, and daily chores) or (2) reside in a

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medical facility or nursing home will be identified as medically frail. Individuals identified as medically frail will be eligible for coverage under Title XIX, and they will have the option of receiving either the ABP (through managed care) or the standard Medicaid benefit package through the State Plan.

Recognizing that medical needs may emerge throughout the year, New Hampshire will notify enrollees that they also may self-identify as medically frail at any time. The New Hampshire Medicaid program will retain full responsibility for notifying enrollees of their rights to self-identify as medically frail. The ultimate decision to identify as medically frail is the enrollee's.

The State will comply with all requirements set forth in Section 1937 of the Social Security Act, including, but not limited to, ensuring that all individuals determined to be medically frail, as well as individuals in other ABP-exempt populations identified in Section 1937 of the Social Security Act, will be given the option to receive through fee-for-service Medicaid either the ABP or the standard Medicaid benefit package.

b) Indicate whether managed care will be statewide, or will operate in specific areas of the state.

The Demonstration will be statewide.

c) Indicate whether there will be a phased-in rollout of managed care (if managed care is not currently in operation or in specific geographic areas of the state).

There will not be a phased-in rollout. The Demonstration will begin statewide on January 1, 2016.

d) Describe how the state will assure choice of MCOs, access to care and provider network adequacy.

QHP Premium Assistance enrollees will be able to choose from at least two high-value silver plans in each county of the State. The QHP certification process includes an evaluation of network adequacy, including QHP compliance with Essential Community Provider network requirements. QHP Premium Assistance enrollees will have access to the same networks as individuals who purchase coverage in the individual market, ensuring compliance with the requirement found in Section 1902(a)(30)(A) of the Social Security Act that Medicaid enrollees have access to care comparable to the access available to the general population in the geographic area.

e) Describe how the managed care providers will be selected/procured

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As described in more detail in response to question 3 above, QHP Premium Assistance enrollees will select among those QHPs available in their county that meet cost-effectiveness criteria. These criteria include care management features, limitations on the use of out-of-network providers and, for enrollees whose income is at or above the federal poverty level, standardized cost-sharing that comports with Medicaid cost-sharing requirements.

6) Indicate whether any services will not be included under the proposed delivery system and the rationale for the exclusion.

Wrap-Around Benefits

All services will be provided through QHPs, except for a limited number of services that are not fully covered under the QHP benefit package but that are included in the ABP. Specifically, the State will provide a fee-for-service wrap around benefit for: (1) non-emergency medical transportation; (2) Early Periodic Screening Diagnosis and Treatment for individuals under age 21 (to the extent the service is not otherwise included in the QHP benefit and is medically necessary as provided under federal regulation); and (3) adult vision and limited adult dental benefit, as described in the State's ABP State Plan Amendment. In addition, if a QHP Premium Assistance beneficiary accesses family planning services through an out-of-network provider, those services will be covered through fee-for-service Medicaid, consistent with federal law.

Retroactive Coverage

New Hampshire seeks to waive the requirement to provide retroactive coverage for medical expenses incurred prior to an individual being determined eligible for Medicaid.

New Hampshire anticipates that, by the beginning of the Demonstration in 2016, most individuals applying to Medicaid will have previously had access to other forms of coverage. Specifically, individuals in New Hampshire with incomes below 133 percent FPL would have had access to Medicaid coverage beginning as of August 15, 2014 through either HIPP or the bridge program. Individuals with incomes above 133 percent FPL would have had access to federal insurance affordability programs to assist in purchasing qualified health plans as of January 1, 2014. Taken together, New Hampshire believes that most individuals new to Medicaid in 2016 will be transitioning from other coverage sources, thereby reducing the need for retroactive coverage.

Coverage Prior To QHP Enrollment

For individuals who select (or are auto-assigned) to a QHP between the first and fifteenth day of a month, QHP coverage will become effective as of the first day of the month following QHP selection (or auto-assignment). For individuals who select (or are auto-assigned) to a QHP

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between the sixteenth and last day of a month, QHP coverage will become effective as of the first day of the second month following QHP selection (or auto-assignment).

The State will ensure that enrollment in a Medicaid managed care plan remains in effect until the QHP coverage effective date for all individuals transitioning from Medicaid Care Management to the Demonstration. For new applicants, the State will also seek a waiver of the requirement to provide coverage prior to the date of application. As is described further above, the State anticipates that most new applicants will be transitioning to the Demonstration from other sources of coverage that could remain in place until the QHP coverage effective date.

7) If the Demonstration will provide personal care and/or long term services and supports, please indicate whether self-direction opportunities are available under the Demonstration. If yes, please describe the opportunities that will be available, and also provide additional information with respect to the person-centered services in the Demonstration and any financial management services that will be provided under the Demonstration

Yes
 No

The Demonstration will not provide long-term services and supports or personal care.

8) If fee-for-service payment will be made for any services, specify any deviation from State plan provider payment rates. If the services are not otherwise covered under the State plan, please specify the rate methodology.

For services covered by the QHP, providers will be reimbursed for care provided to QHP Premium Assistance enrollees at the rates the providers have negotiated with the QHP carrier.

9) If payment is being made through managed care entities on a capitated basis, specify the methodology for setting capitation rates, and any deviations from the payment and contracting requirements under 42 CFR Part 438.

N/A

10) If quality-based supplemental payments are being made to any providers or class of providers, please describe the methodologies, including the quality markers that will be measured and the data that will be collected.

New Hampshire Medicaid will not make supplemental payments directly to providers through the Demonstration.

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Section V – Implementation of Demonstration

1) Describe the implementation schedule. If implementation is a phase-in approach, please specify the phases, including starting and completion dates by major component/milestone.

QHP coverage under the QHP Premium Assistance program will be effective January 1, 2016, with enrollment beginning October 15, 2015. A proposed implementation timeframe is included below:

Milestone	Timeframe
Issue public notice of waiver	October 1, 2014
Accept comments on waiver	October 1 – October 31, 2014
Hold public hearings on waiver	October 8 and 20, 2014
Submit waiver application to CMS	December 1, 2014
Receive waiver approval	By March 31, 2015
Launch shopping and enrollment function on State Portal	October 15, 2015
Coverage under QHP Premium Assistance becomes effective	January 1, 2016

2) Describe how potential Demonstration participants will be notified/enrolled into the Demonstration.

Notices

New Hampshire Medicaid will send notices to Medicaid enrollees transitioning to QHP Premium Assistance under the Demonstration, as well as to new applicants. Notices to existing Medicaid enrollees will be sent prior to the beginning of the plan selection process. Notices to new Medicaid enrollees will be sent after the individual is determined eligible for Medicaid coverage. All notices will include the following information:

- *QHP Plan Selection.* The notice will include, among other things, information regarding how QHP Premium Assistance enrollees can select a QHP, including guidance on selecting the plan that will best address their health needs and information on the State’s auto-enrollment process in the event that the beneficiary does not select a plan.
- *Wrapped Benefits.* A Medicaid card will be mailed to enrollees within two weeks of eligibility determination and accompanying the card will be a notice containing

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information on how enrollees can use the card to access wrapped benefits. The notice will include specific information regarding wrapped benefits, including what services are covered directly through fee-for-service Medicaid, what phone numbers to call for information how to access wrapped services, and any cost-sharing for wrapped services.

- *Appeals.* The notice will also include information regarding the grievance and appeals process. Specifically, the notice will inform QHP Premium Assistance enrollees that, for all services covered by the QHP, the beneficiary should begin by filing a grievance or appeal pursuant to the QHP's grievance and appeals process.
- *Exemption from the Alternative Benefit Plan delivered through the QHP Premium Assistance Program.* The notice will include information describing how new adult enrollees who believe they may be exempt from the Premium Assistance program, including pregnant women and the medically frail, can request an exemption determination and, if they are exempt, choose between receiving coverage through the ABP delivered through managed care or the standard Medicaid benefit package. The notice will include information on the difference in benefits under the ABP as compared to the standard (State Plan) benefit package.
- *Additional notices.* The notice sent to enrollees advising them of their eligibility determination will also advise them that the Premium Assistance Program is subject to cancellation upon notice as provided in the state authorizing statute, SB 413. Enrollees who identify themselves as unemployed at the time of enrollment will be referred to the New Hampshire Department of Employment Security for job counselling services offered by that department.

Enrollment

QHP shopping and enrollment will begin during the individual market open enrollment period for 2016 coverage (October 15, 2015 – December 7, 2015). The plan selection and enrollment process will vary depending on whether an individual is transitioning from the State's Medicaid Care Management program or is a new applicant.

Transition Population

Individuals transitioning from the Medicaid Care Management program to the QHP Premium Assistance program will be enrolled in a QHP through the following process:

- Prior to and during the open enrollment period, New Hampshire Medicaid will send enrollees a notice informing them either: (1) that they have been auto-assigned to the QHP offered by the Medicaid managed care organization (MCO) in which they are currently enrolled (if the MCO elects to offer QHPs), but that they may select a different plan or (2), if they have not been auto-assigned, that they may select a QHP that is

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included in the Premium Assistance program. The notices will provide guidance on how to select a QHP and will include comparisons highlighting the differences between QHPs with respect to, among other things, networks, access to patient-centered medical homes, and use of care coordination programs.

- Individuals may select a QHP (1) through New Hampshire Medicaid's online portal, NHEASY, (2) by phone, or (3) in person.
- Individuals who were not auto-assigned to a QHP offered by their MCO and who fail to select a QHP will be auto-assigned. New Hampshire Medicaid will send the individuals a notice informing them of the QHP to which they have been auto-assigned and that they have the right to select a different plan.
- Once an individual has either selected a QHP or the time period to select a QHP has ended, New Hampshire Medicaid will send an 834 transaction to the issuer. 834 transactions will be sent to carriers daily in batch.
- Upon receipt of an 834 enrollment transaction, the carrier will send an enrollment package, including the benefit card, to the enrollee.
- On a monthly basis, the carriers will send DHHS a list of all QHP Premium Assistance enrollees, identified by a unique ID number, for DHHS to reconcile. Upon reconciliation, DHHS will send back an updated list for the carriers.

New Applicants

New applicants will enroll in QHPs through the following process:

- Individuals will submit a joint application for insurance affordability programs—Medicaid, CHIP and Advanced Premium Tax Credits/Cost Sharing Reductions—electronically, via phone, by mail, or in-person.
- An eligibility determination will be made through the New Hampshire Eligibility & Enrollment Framework (EEF).
- Individuals who indicate on their eligibility application that they either (1) have a physical, mental, or emotional condition that causes limitations in activities (like bathing, dressing, and daily chores) or (2) reside in a medical facility or nursing home will be identified as medically frail. Individuals who are identified as medically frail will not be permitted to enroll in QHPs.
- Individuals who are not identified as medically frail will receive a notice informing them that they may select a QHP and providing guidance on how to select a QHP. The notice will also include information on selecting a QHP and comparisons highlighting the

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differences between plans with respect to, among other things, networks, access to patient-centered medical homes, and use of care coordination programs.

- Individuals may select a QHP (1) through the State's online portal, NHEASY, (2) by phone, or (3) In person.
- Individuals who fail to select a QHP will be auto-assigned. New Hampshire will send the individuals a notice informing them of the QHP to which they have been auto-assigned and that they have the right to select a different plan.
- Once an individual has either selected a QHP or the time period to select a QHP has ended, New Hampshire will send an 834 transaction to the issuer. 834 transactions will be sent to carriers daily in batch.
- Upon receipt of an 834 enrollment transaction, the carrier will send an enrollment package, including the benefit card, to the enrollee.
- On a monthly basis, the carriers will send DHHS a list of all QHP Premium Assistance enrollees, identified by a unique ID number, for DHHS to reconcile. Upon reconciliation, DHHS will send back an updated list for the carriers.

Auto-assignment

The State's goal is to minimize the number of QHP Premium Assistance enrollees who do not complete the QHP selection process and therefore need to be auto-assigned. During enrollment for the Medicaid Care Management program, more than 55 percent of enrollees selected a managed care organization. New Hampshire anticipates that it will need to auto-assign a similarly small percentage of QHP Premium Assistance enrollees.

Individuals who are enrolled in a Medicaid managed care organization (MCO) through the Medicaid Care Management program will be auto-assigned to the QHP offered by their existing MCO, if the MCO elects to offer a QHP. Individuals who are either not enrolled in a Medicaid MCO or whose Medicaid MCO is not offering a QHP will be auto-assigned if they fail to select a QHP. The State anticipates using auto-assignment methodology that takes into account, among other factors, family affiliation, geographic coverage, and the opportunity for care coordination.

Individuals who are auto-assigned will be notified of their assignment and will be given a sixty day period to request enrollment in another plan.

Access To Wrap Around Benefits

In addition to receiving an insurance card from the applicable QHP carrier, QHP Premium Assistance enrollees will have a Medicaid card, indicating a Medicaid Client Identification Number (CIN) through which providers may bill Medicaid for wrap-around benefits. The notice enclosing the card will include information about which services QHP Premium Assistance enrollees may receive through fee-for-service Medicaid and how to access those services. Similar information will be provided on New Hampshire Medicaid's website. Staff at the New Hampshire Medicaid beneficiary call centers will be trained to provide information regarding

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the scope of wrap-around benefits and how to access them. Finally, New Hampshire Medicaid will work closely with carriers to ensure that the carriers' call center staff is aware that QHP Premium Assistance enrollees have access to certain services outside of the QHP and that staff can direct the QHP Premium Assistance enrollees to the appropriate resources to learn more about wrap-around services.

3) If applicable, describe how the state will contract with insurance carriers to provide Demonstration benefits, including whether the state needs to conduct a procurement action.

No procurement action is needed.

New Hampshire Medicaid will not contract directly with the insurance carriers. Instead, there will be inter-agency and any such other agreements as are necessary to implement the Premium Assistance Program.

Section VI – Demonstration Financing and Budget Neutrality

Please complete the Demonstration financing and budget neutrality forms, respectively, and include with the narrative discussion. The Financing Form:

<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/Interim1115-Demo-Financing-Form.pdf> includes a set of standard financing questions typically raised in new section 1115 demonstrations; not all will be applicable to every demonstration application. The Budget Neutrality form and spreadsheet: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/Downloads/Interim1115-Budget-Neutrality-Form.pdf> includes a set of questions with respect to historical expenditure data as well as projected Demonstration expenditures.

To demonstrate budget neutrality, the State worked with its actuary to develop estimates of the without waiver baseline and projected with waiver costs. The State estimates that the demonstration will cost no more than it would have to provide coverage without the waiver. An overview of how the State's actuary developed without waiver and with waiver costs is described below:

Without Waiver. The State's actuary used the current New Hampshire Health Protection Program (NHHPP) premium rates effective beginning September 2014 as the starting point for its analysis. The rates were adjusted to account for the demographics of the population that has enrolled in the NHHPP to date, and the rates were also trended forward to calendar year 2016. The actuary also adjusted the rates to account for a reduction of the impact of pent up demand

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and adverse selection that were incorporated in the NHHPP rates. Finally, the rates were adjusted to account for the rate at which individuals were identifying as medically frail.

With Waiver. The State's actuary developed an estimate of premiums for silver-level QHPs in 2016 based on available plan data for a silver plan offered in the Marketplace in 2014. The premiums were trended forward to 2016 using a larger-than-expected trend rate to ensure a conservative analysis. The premiums were adjusted to reflect that the NHHPP population is significantly younger than the 2014 Marketplace population, bringing down the average acuity for the risk pool. The premiums were then adjusted upward slightly to account for increased age-adjusted acuity. Further, the actuary adjusted the premiums to include an estimate of induced utilization due to reduced cost-sharing. To reflect the actuary's experience in commercial market pricing, the rates were further adjusted to incorporate changes to the reinsurance program and market corrections seen throughout the country. The actuary also added in a relatively high estimate of the cost of services provided through fee-for-service Medicaid to ensure conservative projections. Finally, the total cost was adjusted to reflect the current blend of income levels in NHHPP.

Even with the actuary's conservative estimate of with waiver expenditures, the analysis reflects that the costs under the demonstration will not exceed the projected without waiver costs.

Section VII – List of Proposed Waivers and Expenditure Authorities

1) Provide a list of proposed waivers and expenditure authorities.

- § 1902(a)(17): To permit the State to provide different delivery systems for different populations of Medicaid enrollees.
- § 1902(a)(17): To permit the State to exempt individuals with incomes above 100 percent FPL who are awaiting enrollment in a QHP or Medicaid managed care plan (if excluded from the Demonstration) from cost sharing requirements to which they would otherwise be subject under the State Plan.
- § 1902(a)(23): To make premium assistance for QHPs in the Marketplace mandatory for QHP Premium Assistance enrollees and to permit the State to limit enrollees' freedom of choice among providers to the providers participating in the network of the QHP Premium Assistance beneficiary's QHP.
- § 1902(a)(34): To permit the State to provide coverage beginning on the date of application.
- § 1902(a)(54): To permit the State to require that requests for prior authorization for drugs be addressed within 72 hours, rather than 24 hours. A 72-hour supply of the requested medication will be provided in the event of an emergency.

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2) Describe why the state is requesting the waiver or expenditure authority, and how it will be used.

Waiver Authority	Use for Waiver	Reason for Waiver Request
§ 1902(a)(17)	To permit the State to provide coverage through different delivery systems for different populations of Medicaid enrollees. Specifically, to permit the State to provide coverage for QHP Premium Assistance eligible Medicaid enrollees through QHPs offered in the individual market.	This waiver authority will allow the State to test using premium assistance to provide coverage for QHPs offered in the individual market through the Marketplace or a subset of Medicaid enrollees.
§ 1902(a)(17)	To permit the State to exempt individuals with incomes above 100 percent FPL who are awaiting enrollment in a QHP or Medicaid managed care plan (if excluded from the Demonstration) from cost sharing requirements to which they would otherwise be subject under the State Plan.	This waiver authority will allow the State to impose cost-sharing only once an individual is enrolled in a QHP or Medicaid managed care plan (if excluded from the Demonstration).
§ 1902(a)(23)	To make premium assistance for QHPs in the Marketplace mandatory for QHP Premium Assistance enrollees and to permit the State to limit enrollees' freedom of choice among providers to the providers participating in the network of the QHP Premium Assistance beneficiary's QHP.	This waiver authority will allow the State to require that QHP Premium Assistance enrollees receive coverage through the Demonstration, and not through the State Plan. This waiver authority will also allow the State to align the network available to QHP Premium Assistance enrollees with the network offered to QHP enrollees who are not Medicaid enrollees.
§ 1902(a)(34)	To permit the State to provide	This waiver authority will allow the

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Waiver Authority	Use for Waiver	Reason for Waiver Request
	coverage beginning on the date of application.	State to align the beginning of Medicaid coverage with the date of application.
§ 1902(a)(54)	To permit the State to require that requests for prior authorization for on formulary drugs be addressed within 72 hours, rather than 24 hours. A 72-hour supply of the requested medication will be provided in the event of an emergency.	This waiver authority will allow the State to align prior authorization standards for QHP Premium Assistance enrollees with standards in the commercial market.

Section VIII – Public Notice

1) Start and end dates of the state’s public comment period.

The State’s comment period was October 1, 2014 to October 31, 2014.

2) Certification that the state provided public notice of the application, along with a link to the state’s web site and a notice in the state’s Administrative Record or newspaper of widest circulation 30 days prior to submitting the application to CMS.

New Hampshire certifies that it provided public notice of the application on the State’s Medicaid website (<http://www.dhhs.nh.gov/ombp/medicaid/>) beginning on October 1, 2014. New Hampshire also certifies that it provided notice of the proposed Demonstration in *The Union Leader*. A copy of the notice that appeared in the newspaper is attached here as an Appendix.

3) Certification that the state convened at least 2 public hearings, of which one hearing included teleconferencing and/or web capability, 20 days prior to submitting the application to CMS, including dates and a brief description of the hearings conducted.

New Hampshire certifies that it convened two public hearings at least twenty days prior to submitting the Demonstration application to CMS. Specifically, New Hampshire held the following hearings:

Wednesday, October 8, 2014
6:30-8:30 PM
New Hampshire Department of Health and Human Services

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29 Hazen Drive
Concord, NH 03301

Monday, October 20, 2014
1:00-3:00 PM
Medical Care Advisory Committee
New Hampshire Hospital Association
125 Airport Road
Concord, NH 03301

Individuals could attend both hearings by webinar or conference call.

4) Certification that the state used an electronic mailing list or similar mechanism to notify the public. (If not an electronic mailing list, please describe the mechanism that was used.)

New Hampshire certifies that it used an electronic mailing list to provide notice of the proposed Demonstration to the public. Specifically, New Hampshire Medicaid provided notice through email lists of key stakeholders, including payers, providers, and advocates, as well as legislators.

5) Comments received by the state during the 30-day public notice period.

New Hampshire received sixteen comment letters during the public notice period, as well as several questions and comments during the public hearings. Copies of the comments are attached here.

6) Summary of the state's responses to submitted comments, and whether or how the state incorporated them into the final application.

We attach here at the Appendix a document summarizing and responding to the comments received.

7) Certification that the state conducted tribal consultation in accordance with the consultation process outlined in the state's approved Medicaid State plan, or at least 60 days prior to submitting this Demonstration application if the Demonstration has or would have a direct effect on Indians, tribes, on Indian health programs, or on urban Indian health organizations, including dates and method of consultation.

New Hampshire contains no federally recognized tribes or Indian health programs. As a result, tribal consultation was not required.

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Section IX – Demonstration Administration

Please provide the contact information for the state's point of contact for the Demonstration application.

Name and Title: Jeffrey A. Meyers, Director, Intergovernmental Affairs, New Hampshire Department of Health and Human Services

Telephone Number: (603) 271-9210

Email Address: jeffrey.meyers@dhhs.state.nh.us

Section X – Appendices

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Notice of Application for Demonstration Authority

Notice is hereby given that the New Hampshire Department of Health and Human Services (DHHS) intends to apply for authority under Section 1115 of the Social Security Act to enroll certain individuals eligible for coverage under Title XIX of the Social Security Act in qualified health plans offered on the federally facilitated New Hampshire Health Insurance Marketplace.

Summary of Demonstration

On March 27, 2014, Governor Maggie Hassan signed into law Senate Bill 413, an Act relative to health insurance coverage (the "Act"), (2014 NH Laws Chap. 3) establishing the New Hampshire Health Protection Program to expand health coverage in New Hampshire for adults with incomes up to 133% of the Federal Poverty Level.

The New Hampshire Health Protection Program includes several components: (1) a mandatory Health Insurance Premium Payment Program (HIPP) for individuals with access to cost-effective employer-sponsored insurance; (2) a bridge program to cover the new adult group in Medicaid managed care plans through December 31, 2015; and (3) a mandatory individual qualified health plan (QHP) premium assistance program beginning on January 1, 2016. Coverage for the new adult group became effective on August 15, 2014. This Demonstration is intended to implement the mandatory QHP premium assistance program established in the Act.

Under the Demonstration, the State will implement a mandatory premium assistance program ("Premium Assistance Program" or "Program") through which the State will purchase from insurance carriers QHPs that have been certified for sale in the individual market on the federally facilitated New Hampshire Health Insurance Marketplace. Individuals eligible for the Program will include those covered under Title XIX of the Social Security Act who are either (1) childless adults between the ages of 19 and 65 with incomes at or below 133% of the federal poverty level (FPL) who are neither enrolled in (or eligible for) Medicare nor incarcerated or (2) parents between the ages of 19 and 65 with incomes between 38% (for non-working parents) or 47% (for working parents) and 133% FPL who are neither enrolled in (or eligible for) Medicare nor incarcerated (collectively "QHP Premium Assistance beneficiaries"). Premium Assistance Program beneficiaries will receive the Alternative Benefit Plan (ABP) through a QHP that they select and will have cost-sharing obligations consistent with Medicaid cost-sharing requirements.

The Demonstration will further the objectives of Title XIX by promoting continuity of coverage for individuals as they transition across different sources of coverage ensuring consistent access to providers, rationalizing provider reimbursement, and enhancing integration and efficiency of public and private coverage in New Hampshire. Ultimately, the Demonstration will provide truly integrated coverage for low-income New Hampshire residents regardless of their income or source of coverage.

Additionally, by adding up to an estimated 45,000 persons to the Marketplace, the Program may attract additional QHP carriers creating a more competitive market, which will benefit all individuals purchasing coverage on the Marketplace.

The Demonstration will be statewide and will operate during calendar year 2016. The State anticipates that approximately 45,000 individuals will be eligible for the Demonstration. The State expects that, over the life of the Demonstration, covering New Hampshire Health Protection Program beneficiaries will be comparable to what the costs would have been for covering the same expansion group through Medicaid Care Management.

Hypotheses To Be Evaluated Through Demonstration

The Demonstration will evaluate the following questions:

- What are the effects of the QHP premium assistance plan on member quality of care?
- What are the effects of the QHP premium assistance plan on member access to care?
- What are the effects of the QHP premium assistance plan on member insurance coverage (uptake) and coverage gaps and loss of coverage?
- What are the effects of the QHP premium assistance plan on the costs of providing care?
- What are the effects of the QHP premium assistance plan copayments on members?

Waivers Requested

The State will request the following waivers to operate the Demonstration:

- § 1902(a)(17): To permit the State to provide different delivery systems for different populations of Medicaid beneficiaries.
- § 1902(a)(17): To permit the State to vary cost sharing requirements for individuals in the Demonstration with incomes above 100% FPL from cost sharing to which they would otherwise be subject under the State Plan.
- § 1902(a)(23): To make premium assistance for QHPs in the Marketplace mandatory for QHP Premium Assistance beneficiaries and to permit the State to limit beneficiaries' freedom of choice among providers to the providers participating in the network of the QHP Premium Assistance beneficiary's QHP.
- § 1902(a)(34): To permit the State to provide coverage as of the application date.

The State continues to evaluate whether it will request other waivers.

Opportunity for Public Input

The complete version of the current draft of the Demonstration application is available for public review at <http://www.dhhs.nh.gov/pap-1115-waiver/index.htm>. The Demonstration application may also be viewed from 8 AM – 4:30 PM Monday through Friday at:

Department of Health and Human Services
Office of Medicaid Business and Policy
Legal and Policy Unit
129 Pleasant Street-Thayer Building
Concord, NH 03301-3857

Public comments may be submitted until midnight on October 31, 2014. Comments may be submitted by email to PAP1115Waiver@dhhs.state.nh.us or by regular mail to Department of Health and Human Services, Office of Medicaid Business and Policy, Legal and Policy Unit, 129 Pleasant Street-Thayer Building, Concord, NH 03301-3857. Comments should be addressed to Jeffrey A. Meyers, Director, Intergovernmental Affairs, NH Department of Health and Human Services.

To view comments that others have submitted, please visit <http://www.dhhs.nh.gov/pap-1115-waiver/index.htm>. Comments may also be viewed from 8 AM – 4:30 PM Monday through Friday at:

Department of Health and Human Services
Office of Medicaid Business and Policy
Legal and Policy Unit
129 Pleasant Street-Thayer Building
Concord, NH 03301-3857

The State will host two public hearings during the public comment period.

Wednesday, October 8, 2014

6:30-8:30 PM

New Hampshire Department of Health and Human Services
Division of Public Health Services
29 Hazen Drive
Concord, NH 03301

To attend by webinar:

<https://pcgus.webex.com/pcgus/j.php?MTID=m033af3335f479e13d8da20c7f52e4447>

Meeting number: 763 259 638

Meeting password: nhdhhs

To join by phone:

1-877-668-4493 Access code: 763 259 638

Monday, October 20, 2014

1:00-3:00 PM

Medical Care Advisory Committee

New Hampshire Hospital Association
125 Airport Road
Concord, NH 03301

To attend by webinar:

<https://pcgus.webex.com/pcgus/j.php?MTID=m5b940af84f4d96ba72abe2b9e9c8ca0a>

Meeting number: 768 829 221

Meeting password: nhdhhs

To join by phone:

1-877-668-4493 Access code: 768 829 221

Proposed Cost-Sharing Design

Service	Co-Pay
Primary Care Physician	\$0
Specialty Physician	\$8
Other Medical Professionals	\$8
Generic Prescription Drug	\$2
Preferred and Non-Preferred Brand Prescription Drugs	\$6
Specialty Prescription Drugs	\$6
Behavioral Health Professional	\$0
Behavioral Health Outpatient Visit	\$0
Behavioral Health Inpatient Admission	\$50
Hospital Outpatient Visit	\$0
Hospital Inpatient Admission	\$50
Imaging (CT/PET Scans, MRIs)	\$25
Durable Medical Equipment	\$0
Lab and Radiology	\$0
Skilled Nursing Facility	\$0
Emergency Room Visit	\$0
Other	\$0



NEW HAMPSHIRE LEGAL ASSISTANCE

Working for Equal Justice Since 1971

www.nhla.org

October 8, 2014

Claremont Office
24 Opera House Square
Suite 206
Claremont, NH 03743
603-542-8795
1-800-562-3994
Fax: 603-542-3826

Concord Office
117 North State Street
Concord, NH 03301
603-223-9750
1-800-921-1115
Fax: 603-223-9794

Manchester Office
1850 Elm Street
Suite 7
Manchester, NH 03104
603-688-2900
1-800-562-3174
Fax: 603-622-5576

Portsmouth Office
154 High Street
Portsmouth, NH 03801
603-431-7411
1-800-334-3135
Fax: 603-431-8025

Berlin Office
1131 Main Street
Berlin, NH 03570
603-752-1102
1-800-698-8969
Fax: 603-752-2248

Administration
117 North State Street
Concord, NH 03301
603-224-4107
Fax: 603-224-2053

TTY: 1-800-735-2964

Jeffrey A. Meyers, Director
Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street – Thayer Building
Concord, NH 03301-3857

Via Hand Delivery

RE: New Hampshire Health Protection Program
Premium Assistance Section 1115 Research and Demonstration Waiver

Dear Mr. Meyers:

New Hampshire Legal Assistance looks forward to reviewing the response of the Department of Health and Human Services (“the Department”) to the following questions regarding the proposed Section 1115 waiver:¹

1. Appeals. Can you confirm the following:
 - a. That the ordinary Medicaid appeals process, including fair hearings, will be available to “new adult” applicants for eligibility determinations, e.g. whether the applicant meets age, income, and other requirements and whether the applicant is exempt from mandatory participation in the qualified health plan (“QHP”) premium assistance program (“PAP”) because of medically frail status, dual eligibility, or pregnancy;
 - b. That the ordinary Medicaid appeals process, including fair hearings, will be available to new adults who are exempt from mandatory participation in the QHP PAP for benefits denials;

¹ NHLA submits these questions without prejudice to our law firm’s right to submit additional questions and/or comments in advance of the October 31, 2014 public comment deadline, and without prejudice to the right of our law firm and/or our current or future clients to make any claims in any current or future litigation.

- c. That the ordinary Medicaid appeals process, including fair hearings, will be available to all new adults for denials of wrapped benefits; and
 - d. That the ordinary Medicaid appeals process will not be available to QHP PAP enrollees for benefits denials and that such enrollees will instead be limited to the QHP's internal appeal review process and the Qualified Independent Review Organization external review process. Specifically, can you confirm that QHP PAP enrollees will not be entitled to fair hearings for benefits denials?
2. Cost-sharing.
- a. Can you confirm that QHP PAP enrollees' cost-sharing obligation is limited to payment of co-pays, in other words, that enrollees will not be responsible for deductible or coinsurance payments?
 - b. Can you confirm that QHP PAP enrollees' cost-sharing obligation will be capped at 5 percent of projected quarterly household income within each quarter, in other words, that once an enrollee has made co-pays totaling 5 percent of projected quarterly household income in a particular quarter, he or she will have no further co-pay obligation until the next quarter?
 - c. Can you confirm that a QHP PAP enrollee's projected quarterly household income will be adjusted on a pro rata basis for the remainder of a quarter if he or she reports a change in household income?
 - d. Can you confirm that a QHP PAP enrollee's cost-sharing obligation will cease immediately if he or she reports a change in income which would cause him or her to drop below 100 percent of the Federal Poverty Line?
 - e. Could you describe how the Department intends to track co-payments so that QHP PAP enrollees are not asked for co-payments at the point of care after meeting their quarterly maximum?
3. Could you estimate the number of new adults who will enroll on or after January 1, 2016 and therefore not be eligible for 90 days of retroactive coverage?

Thank you for your consideration of these questions. If you need clarification, please call me at 206-2214.

Very truly yours,



Sarah Mattson Dustin, Esq.
Policy Director



NEW HAMPSHIRE LEGAL ASSISTANCE

Working for Equal Justice Since 1971

www.nhla.org

October 20, 2014

Claremont Office
24 Opera House Square
Suite 206
Claremont, NH 03743
603-542-8795
1-800-562-3994
Fax: 603-542-3826

Jeffrey A. Meyers, Director
Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street -- Thayer Building
Concord, NH 03301-3857

Concord Office
117 North State Street
Concord, NH 03301
603-223-9750
1-800-921-1115
Fax: 603-223-9794

Via Hand Delivery at MCAC Meeting

RE: New Hampshire Health Protection Program
Premium Assistance Section 1115 Research and Demonstration Waiver

Manchester Office
1850 Elm Street
Suite 7
Manchester, NH 03104
603-668-2900
1-800-562-3174
Fax: 603-622-5576

Dear Mr. Meyers:

Thank you for the opportunity to comment on the proposed Section 1115 Research and Demonstration Waiver. New Hampshire Legal Assistance (NHLA) looks forward to reviewing the response of the Department of Health and Human Services ("DHHS") and/or the Insurance Department to the following questions regarding the proposed Waiver:¹

Portsmouth Office
154 High Street
Portsmouth, NH 03801
603-431-7411
1-800-334-3135
Fax: 603-431-8025

1. Appeals.

- a. Under the existing managed care law, RSA 420-J, what percentage of internal appeals/grievances result in claim denials being reversed or otherwise resolved fully favorably to the enrollee?
- b. Under the existing managed care law, RSA 420-J, what percentage of independent external reviews result in claim denials being reversed or otherwise resolved fully favorably to the enrollee?
- c. What percentage of appeals to the DHHS Administrative Appeals Unit, addressing a Medicaid service for which coverage has been denied in whole or in part, result in the denial being reversed or otherwise resolved fully favorably to the enrollee?
- d. Will DHHS or the Insurance Department collect data on the success rate of internal appeals/grievances and independent external reviews filed by New Hampshire Health Protection Plan enrollees, as distinguished from other managed care plan enrollees, starting in 2016?

Berlin Office
1131 Main Street
Berlin, NH 03570
603-752-1102
1-800-698-8969
Fax: 603-752-2248

Administration
117 North State Street
Concord, NH 03301
603-224-4107
Fax: 603-224-2053

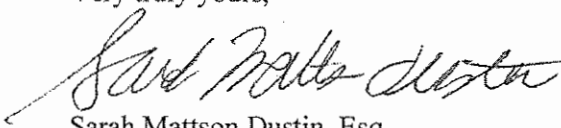
TTY: 1-800-735-2964

¹ NHLA submits these questions without prejudice to our law firm's right to submit additional questions and/or comments in advance of the October 31, 2014 public comment deadline, and without prejudice to the right of our law firm and/or our current or future clients to make any claims in any current or future litigation.

- e. Can you confirm that all New Hampshire Health Protection Plan enrollees will be entitled to an oral hearing on a claim denial?
2. Co-payments.
- a. How will DHHS and/or the Insurance Department track enrollees' co-payments so as to avoid exceeding the maximum quarterly obligation, and what, if any, duty will enrollees have to track their own co-payments? If enrollees will have a duty to track their own co-payments, how will DHHS; the Insurance Department, or carriers instruct them about that process?
 - b. Will DHHS and/or the Insurance Department be able to make within-quarter adjustments to an enrollee's quarterly cost-sharing obligations, including lowering quarterly cost-sharing obligations based on reduced income or ceasing cost-sharing obligations immediately if the enrollee's income falls below 100 percent of the federal poverty level?
 - c. How will refunds be processed if an enrollee exceeds his or her maximum quarterly cost-sharing obligation?
3. Retroactivity.
- a. Can you confirm that New Hampshire Health Protection Plan coverage will be retroactive to the date that a person submits an initial application using any of the various application mediums available (such as in-person paper application, NH Easy application, et al.), even if any documents required to verify eligibility have not yet been submitted by the applicant?
4. Health Literacy and Reading Level.
- a. How will DHHS and the Insurance Department ensure that their own communications and those of carriers, including paper and electronic correspondence and websites, are appropriate to the typical language ability, reading level, and health literacy of New Hampshire Health Protection Plan enrollees?

Thank you for your consideration of these questions and for the extensive work you and your colleagues are doing on this crucially important proposal. If you need clarification, please call me at 206-2214.

Very truly yours,



Sarah Mattson Dustin, Esq.
Policy Director



October 20, 2014

Via E-Mail & Hand-Delivery

Jeffrey A. Meyers, Esq.
Director of Intergovernmental Affairs
NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-3587
E-Mail: PAP1115Waiver@dhhs.state.nh.us

Re: NH Health Protection Program – Questions Concerning Draft Premium Assistance Section 1115 Demonstration Waiver Application

Dear Mr. Meyers:

NH Voices for Health (VOICES) looks forward to and will be submitting written comments concerning New Hampshire's draft Premium Assistance Program (PAP) Demonstration Waiver application.

However, at this juncture and for clarity of public understanding, we are respectfully requesting that the NH Department of Health and Human Services (Department) provide written response to the following questions concerning the draft Section 1115 Waiver application.

1. *Proposed Waiver of 90-Day Retroactive Coverage Requirement.* The draft Waiver application proposes that PAP coverage begin on the enrollee's date of application (or on January 1, 2016, whichever is later). Please answer the following:
 - a. How does the Department define 'date of application' in this context?

2. *Proposed Waiver of 24-Hour Prior Authorization Requirement for Prescription Drugs.* For PAP enrollees, the draft Waiver application proposes to replace Medicaid's 24-hour prior authorization requirement for prescription drugs with a 72-hour prior authorization standard. The draft application also indicates that 'a 72-hour supply of the requested medication will be provided in the event of an emergency'. Please answer the following:
 - a. How does the Department define 'emergency' in this context?

3. *Cost Sharing Plan.* Can you please confirm the following:
 - a. That there is no cost-sharing proposed for PAP enrollees with incomes at less than 100% of the federal poverty level (FPL);
 - b. That for PAP enrollees with incomes at 100% of FPL and above:
 - i. There is no premium or deductible or coinsurance payable by enrollees;
 - ii. Enrollee cost-sharing is limited to copays, with an out of pocket maximum; and
 - iii. An enrollee's out of pocket maximum for aggregate quarterly copays is equal to 5% of the enrollee's applicable quarterly income?

4. *Cost Sharing Plan.* Please answer the following:
 - a. Will persons who identify as 'medically frail' be subject to the same cost-sharing as PAP enrollees?
 - b. Please identify the 'Other Medical Professionals' that are listed in the Cost Sharing Plan as requiring an \$8 copay?
 - c. Is the listed 'Imaging' copay of \$25 limited to CT and PET scans and MRIs; and
 - i. If not, please specify additional 'Imaging' that you expect to be subject to this \$25 copay?

5. *Auto-Assignment.* Can you please confirm the following:
 - a. That when a person is determined to be PAP eligible and is either not a Bridge Program enrollee, or is a Bridge Program enrollee whose Medicaid managed care organization (MCO) is not offering a certified QHP (qualified health plan), he or she will have sixty (60) days to select a qualified health plan before being subject to QHP auto-assignment; and
 - b. That if, in that circumstance, the PAP enrollee fails to select a plan within sixty (60) days, he or she will be auto-assigned to a QHP with health care provider network access in his or her geographic area?

6. *Auto-Assignment.* Please answer the following:
 - a. In the context of New Hampshire's anticipated auto-assignment methodology, what does the Department mean by taking 'family affiliation' into account?
 - b. For Medicaid Bridge Program enrollees who are auto-assigned to the QHP offered by their MCO, what, if any, existing or proposed requirement is there that the MCO-offered qualified health plan have a health care provider network serving the PAP Medicaid enrollee's geographic area?

7. *PAP QHP Health Care Provider Network Adequacy.* Please answer the following:
 - a. How will New Hampshire ensure that certified QHPs provide PAP enrollees with access to care that is comparable to the access available to the general population in the enrollee's geographic area, as required by federal Medicaid law?

8. *Consumer Assistance.* Please answer the following:
 - a. How does the Department propose to assist those who are determined to be PAP eligible with understanding their available qualified health plan enrollment options and the QHP selection process?

VOICES is grateful for the opportunity to submit these questions as part of the public process for New Hampshire's proposed Premium Assistance Program Section 1115 Demonstration Waiver. We look forward to submitting formal written comments.

Sincerely,



Thomas G. Bunnell, Esq.
Policy Consultant



Goodwin
Community Health

October 29, 2014

Jeffrey A. Meyers
Director of Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
PAP1115Waiver@dhhs.state.nh.us

Dear Jeffrey:

Thank you for the opportunity to provide comments on the New Hampshire Health Protection Program Premium Assistance Section 1115 Research and Demonstration Waiver (Waiver). Goodwin Community Health located at 311 Route 108 in Somersworth, NH is thrilled to see the State is taking steps to expand health care coverage to low-income New Hampshire residents. If approved, the Waiver will allow the State to provide health insurance coverage to adults between the ages of 19 and 65 with incomes at or below 133% of the Federal Poverty Level through the Premium Assistance Program (PAP Program).¹ We appreciate and support the State's goals of: 1) addressing the continuity of coverage for the newly eligible adult Medicaid population; 2) rationalizing provider reimbursement; 3) promoting overall health of our low-income citizens; and 4) relieving the burden of uncompensated care affecting providers statewide. Our comments below address our concerns as to how the Waiver may affect New Hampshire's low-income population's access to health care.

Cost-sharing

Goodwin Community Health understands that our comments must be directed at the Waiver, however, we feel it is important to provide input on the Proposed Standard Cost-sharing Plan (Plan) included on the NH Department of Health and Human Services' Premium Assistance Program Section 1115 Demonstration Waiver website.² The Waiver specifies that the State will amend its State Plan Amendment to include cost-sharing measures for individuals living between 100% and 133% of the federal poverty level (FPL) and caps the cost-sharing at 5% of quarterly household income.³ The comments outlined below address the cost-sharing included in the Plan. The Waiver hypothesizes that enrollees "will have equal or greater timely access to primary, specialty, and behavioral health care services."⁴ The Waiver also states that enrollees will have equal or lower rates of emergency department use, and avoidable ambulatory care sensitive hospital admissions.⁵ The Waiver indicates that the co-payments envisioned in the waiver "will not pose a barrier to accessing care."⁶ These are admirable goals that we support, however, we believe that the cost-sharing structure included in the Plan will negatively affect enrollees' access

¹ NH DHHS, NH Health Protection Program Premium Assistance, §1115 Research and Demonstration Waiver, 1 (October 2014).

² See Proposed Standard Cost-sharing Plan, <http://www.dhhs.state.nh.us/pap-1115-waiver/documents/cost-sharing-10012014.pdf> (October 2014).

³ Waiver at 14.

⁴ Waiver at 4.

⁵ Waiver at 5.

⁶ Waiver at 6.

to care because cost-sharing inhibits low-income patients from accessing not only primary and preventive care, but behavioral health services as well.⁷

Prescription Co-pays

We believe personal responsibility measures can be effective if employed correctly, but the cost-sharing measures included in the Plan will discourage low-income residents from accessing necessary care.⁸ Individuals living between 100% and 133% of the FPL earn between \$11,670 and \$15,521 annually. This population includes individuals with complex socioeconomic backgrounds and individuals who are more likely to have chronic conditions that require pharmaceutical treatment and monitoring by a health care provider than an individual with a higher income.⁹ In addition, this population is more likely to experience barriers to care due to cost than a person with traditional private insurance.¹⁰ If PAP Program enrollees did not participate in the Bridge Program, it is likely this population was uninsured and paid out of pocket for their health care needs prior to participation in the PAP Program. As a result, those PAP Program enrollees are less likely to have accessed a primary care provider.¹¹ The Plan includes pharmaceutical co-payments as high as \$6 despite evidence that co-payments as low as \$2 to \$3 for prescription medications decrease adherence to prescription regimens.¹² In contrast, studies show that decreased cost-sharing improves health outcomes, including for those with chronic conditions.¹³

Decreasing adherence to treatment plans contradicts the hypothesis stated in the Waiver: “[t]he co-payments will not pose a barrier to accessing care” and has the potential impact of negatively affecting those with chronic conditions such as mental illness.¹⁴ “One multistate study of Medicaid claims data found generic co-pays of only \$2 or \$3 correlated with significantly lower adherence to medications for schizophrenia as compared with no co-pays.”¹⁵ Delayed or discontinued prescription use has a greater impact on the low-income population and results in an increase of low-income patients foregoing prescription treatment.¹⁶ Combined with the behavioral health inpatient co-pay of \$50, the Plan has the potential to reduce access within an already fragile behavioral health care delivery system in New Hampshire.¹⁷ If patients are able to access the care they need when the symptoms are acute and manageable, New Hampshire’s health care systems will save money because adverse health outcomes will be avoided.¹⁸

⁷ See Danny McCormick, Assaad Sayah, Hermione Lokko, et al., *Access to Care After Massachusetts’ Health Care Reform: A Safety Net Hospital Patient Survey*, 1552 (July 2012).

⁸ See National Health Law Program, *Medicaid Premiums and Cost-sharing*, 1 (March 2014).

⁹ See *id.* at 5, 11.

¹⁰ See McCormick at 1550; see also Kaiser Commission on Medicaid and the Uninsured, *Premiums and Cost-Sharing in Medicaid: A Review of Research Findings*, 6 (February 2013).

¹¹ See McCormick at 1550.

¹² Plan; see National Health Law Program at 6, 9.

¹³ National Health Law Program at 3, 6.

¹⁴ See Waiver at 6.

¹⁵ National Health Law Program at 9.

¹⁶ *Id.* at 5.

¹⁷ See Plan.

¹⁸ See Kaiser Commission on Medicaid and the Uninsured, *Premiums and Cost-Sharing in Medicaid: A Review of Research Findings*, 1 (February 2013).

In addition to affecting the ability of patients to comply with prescription treatments, the cost-sharing included in the Plan will negatively affect the ability of patients to access outpatient services for behavioral health and other health care needs.¹⁹ The Plan includes cost-sharing for imaging services, behavioral health inpatient services, hospital inpatient services, and “other medical professionals.”²⁰ Studies show that patients are likely to reduce utilization of these services in particular because of cost-sharing.²¹ This will negatively affect patients with chronic illnesses, such as cancer and mental illness, as evidence suggests a likelihood patients will discontinue necessary services, especially those who need access to behavioral health services.²² In addition, the term “other medical professionals” is not defined in the Waiver or Plan.²³ If this term includes services that are accessed on a daily basis, such as home health care services, PAP Program participants will experience exponential costs; making it less likely that the participant will access necessary care that delays more expensive medical intervention.

Cost Shifting

The level of cost-sharing included in the Plan will negatively affect providers because of cost shifting.²⁴ The Waiver requires providers collect “all applicable co-payments at the point of care.”²⁵ FQHCs and CHCs cannot deny a patient care because of the patient’s inability to pay. If the provider cannot collect payment from the patient, the provider will not only lose the amount of the co-payment, but also the administrative costs of trying to collect the co-payment. This will increase the uncompensated care burden on providers. Further, patients who cannot afford co-payments are more likely to rely on the services of safety net primary care providers such as the FQHCs and CHCs, which will place more financial burden on these small, non-profit businesses.²⁶ Cost shifting due to co-payments may result in an inability of safety net providers to continue to provide services at the level currently seen statewide.²⁷

Alternatives to cost-sharing

Personal responsibility can take many forms, including participation in care management programs, many of which are offered by providers, participation in group therapy for chronic illnesses, and wellness programs. For example, like many chronic diseases, diabetes requires prescription treatment and provider monitoring. It is also a disease that can lead to more costly interventions if not managed correctly. Similar to other chronic conditions, chronic disease management is shown to reduce overall health care costs in patients with diabetes and improve the quality of care.²⁸ As currently written, the Plan discourages adherence to a provider’s recommended course of treatment for chronic and non-chronic conditions through the use of cost-sharing. Therefore, we ask the State to consider requiring participation in programs that educate and encourage chronic disease self-management and overall wellness rather than

¹⁹ See National Health Law Program at 8; see also Kaiser Commission on Medicaid and the Uninsured at 6.

²⁰ See Plan.

²¹ National Health Law Program at 8.

²² See *id.* at 8, 9.

²³ See Plan.

²⁴ See National Health Law Program at 3.

²⁵ Waiver at 14.

²⁶ See Kaiser Commission on Medicaid and the Uninsured at 1.

²⁷ See McCormick at 1553.

²⁸ See Jaan Sidorov, Robert Shull, Janet Tomcavage, et al., Does Diabetes Disease Management Save Money and Improve Outcomes?, 684 (April 2002).

employing cost-sharing measures. These programs “more strongly govern” health care costs than cost-sharing, especially for our low-income residents.²⁹

Calculating and Collecting Cost-sharing

The Waiver requires aggregate quarterly cost-sharing and places an annual cap on cost-sharing at 5% of quarterly household income.³⁰ In addition, PAP Program enrollees must notify the State within 10 days of any changes in financial eligibility.³¹ The Waiver also states that the enrollees’ aggregate amount of co-payments will be monitored to ensure the enrollee does not exceed the annual limit.³² However, it is unclear who will conduct the monitoring of these co-payments and how often.³³ This could potentially negatively affect PAP Program enrollees, especially those whose incomes fluctuate frequently. A large number of the adults who are eligible for health insurance coverage through the PAP Program work in the service industries, including restaurants, hotels, construction, and grocery stores, and their employment is often seasonal.³⁴ Their incomes are likely to frequently fluctuate given the nature of employment. Tracking of enrollees’ income in order to ensure an individual’s costs do not exceed that cap will be a costly endeavor, regardless of whether the State or the QHP collects this information. As currently written, it is unclear what the notification process will be for ensuring a PAP Program enrollee receives notice that the cap has been met. It is also unclear how providers will be notified as to whether or not to collect payment from the patient at the time of service and how quickly the PAP Program will respond to enrollees’ notification of change in income. A patient with a chronic condition could potentially pay in excess of the 5% cap for an entire quarter unless the State’s monitoring system is in real time. Minimal cost-sharing results in the delay of accessing necessary care and a reduction in the utilization of less costly health care services.³⁵

Grievance and Appeals Process

The Waiver creates a bifurcated grievance and appeals process based on the service at issue for the PAP Program enrollee.³⁶ Goodwin Community Health is pleased to see the Waiver include notification to enrollees of the QHP appeals process governed by statute, which services are covered by the QHP appeals process, and notification of the services that will be subject to the Medicaid appeals process.³⁷ We understand that PAP Program enrollees are QHP consumers, however, this population has different needs, socioeconomic backgrounds, and education levels than a typical privately insured consumer. While notification from the State as to which services are covered by which appeals process is beneficial, we do not believe this will adequately meet the needs of this population. We respectfully request the State consider a monthly grievance and appeals process review program to ensure the appellate process established by statute for the QHPs is as effective for the PAP Program enrollees as that of the Medicaid appeals process. In addition, we ask the State to create and appoint an Ombudsman to assist PAP Program enrollees

²⁹ See National Health Law Program at 4.

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³⁴ See Fact Sheet: Impact of Medicaid Expansion by Industry, <http://www.nhfpi.org/research/fact-sheet-impact-medicaid-expansion-industry.html> (October 2013).

³⁵ Kaiser Commission on Medicaid and the Uninsured at 6.

³⁶ Waiver at 11.

³⁷ Waiver at 23.

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Auto-Assignment of PAP Program Enrollees to QHPs

The Waiver prescribes an auto-assignment process for individuals transitioning from Medicaid Care Management to the PAP Program, allows individuals to select a different QHP than the auto-assignment if they desire with 60 days, and allows individuals who were not auto-assigned to select a QHP.³⁸ We appreciate that the notice sent to enrollees will include guidance on how to select a QHP, however, we hope enrollees will have access to information such as network adequacy and provider participation. The FQHCs and CHCs experienced significant financial and administrative burdens due to the auto-assignment of their patients during the rollout of Medicaid Managed Care. One FQHC noted that over 1000 of their patients were auto-assigned to another provider. In addition, our patients and staff experienced difficulty in determining which providers were covered by which Managed Care Organization (MCO). One MCO's website listed providers by organization, while another listed individual providers. We respectfully request the State maintain an accurate provider and network list in multiple formats, e.g. online or by phone, that are updated in real time to ensure PAP Program enrollees and providers have the most accurate and up-to-date information.

Network Adequacy

We are pleased the State shares our goal of increasing access to health care coverage while ensuring continuity of care. The Waiver states that PAP Program enrollees will have access to the QHP networks, which are the same networks individuals who purchase coverage in the individual market have.³⁹ While this might comply with the requirements of Section 1902(a)(30)(A) of the Social Security Act, it is unclear at this time if this will negatively affect potential PAP Program enrollees. We hope the State will ensure PAP Program enrollees (former Medicaid managed care enrollees) have access to necessary providers, providers that they have an established history with, and providers skilled in treating low-income patients with complex socioeconomic needs. We respectfully request network adequacy be continuously monitored to ensure the health outcomes of the PAP Program enrollees are not affected by network adequacy.

Waiver of 90-day Retroactivity

The State seeks to permission to waive the Medicaid 90-day retroactive coverage requirement and limit coverage to the "beginning of Medicaid coverage with the date of the application."⁴⁰ The reason given by the State for this request is that the majority of the enrollees will be moved from Medicaid care management into the PAP Program. This assumption presents a number of problems not only for the patients but also providers, including: 1) there will be a number of PAP Program enrollees who were not included in Medicaid managed care and would benefit from having 90-day retroactive coverage; 2) the population the PAP Program is designed to serve often have complex socioeconomic backgrounds that will inhibit them from seeking coverage when they initially present to a provider, even if eligible at the time of service; and 3) if a provider serves an uninsured patient who is eligible for coverage under the PAP Program prior to the application date, the provider will not receive reimbursement for the care provided. This will

³⁸ *Id.* at 24.

³⁹ *Id.* at 20.

⁴⁰ Waiver at 28.

unnecessarily increase that provider's level of uncompensated care, which is in direct conflict with the goals as outlined in the Waiver.⁴¹ Medical debt is the most cited reason as to why a person files for bankruptcy in the US.⁴² The number of individuals that will be uninsured prior to participation in the PAP Program is likely small; therefore, the 90-day retroactivity coverage requirement should not be waived given the significant financial impact it will have on the PAP Program enrollees and providers.

Waiver of Medicaid's 24-hour Prior Authorization Requirement for Prescription Drugs

We respect the crucial role the QHPs will play in providing coverage to the PAP Program enrollees and understand the desire to align prior authorization standards for PAP Program enrollees with those of the standard QHPs. However, the population that will receive health insurance coverage through the PAP Program are Medicaid recipients with more complex health needs than the typical privately insured consumer. The Waiver requests prior authorization for prescriptions be addressed within 72 hours rather than 24 hours as currently required by Medicaid.⁴³ The Waiver also seeks permission to issue a 72-hour supply of the requested prescription medication in the event of an emergency, but does not define an "emergency."⁴⁴ The Waiver also does not indicate who makes the determination as to whether there is an emergency: whether it is the QHP, the pharmacist, the provider, or the patient.⁴⁵ We respectfully request that the Waiver be clarified to indicate who makes the determination as to whether an emergency exists and how that determination is to be made.

340B Drug Pricing Program

The 340B Drug Pricing Program is a program administered by the Office of Pharmacy Affairs within the Health Resources and Services Administration.⁴⁶ Participating manufacturers provide outpatient drugs to participating providers (covered entities) at a reduced price, which then allows the covered entities, including FQHCs and critical access hospitals, to provide outpatient drugs to patients at a significantly discounted price.⁴⁷ Covered entities are limited to nonprofit health care organizations funded through certain federal programs.⁴⁸ If a covered entity provides prescription medicine purchased through the 340B Drug Pricing Program to a patient, the State cannot seek a Medicaid rebate for the patient because of the prohibition on duplicate discounts and vice versa. It is unclear if the State has the burden to notify the covered entity that the entity can use 340B prescription medicine.

Also, the Waiver is unclear as to how the State will manage the PAP Program with regards to the 340B Drug Pricing Program: will FQHCs and other 340B Drug Pricing Program providers be able to seek reimbursement for drugs provided to PAP Program enrollees? How will the providers know whether or not the State chooses to seek a Medicaid rebate for that enrollee? What systems will the State put in place to ensure a duplicate discount is avoided? The FQHCs' continued participation in the 340B Drug Pricing Program is crucial to the financial health of the

⁴¹ See *id.* at 2.

⁴² Karen Pollitz and Cynthia Cox, Medical Debt Among People with Health Insurance, 18 (January 2014).

⁴³ Waiver at 28.

⁴⁴ *Id.*

⁴⁵ See *id.*

⁴⁶ HRSA <http://www.hrsa.gov/OPA/> (last accessed in October 2014).

⁴⁷ *Id.*

⁴⁸ HRSA <http://www.hrsa.gov/OPA/>.

FQHCs: "The 340B Program enables covered entities to stretch scarce Federal resources as far as possible, reaching more eligible patients and providing more comprehensive services."⁴⁹ We respectfully request the covered entities retain the ability to provide prescription medicine purchased through the 340B Drug Pricing Program to PAP Program enrollees.

Proposed Timeframe for the Waiver

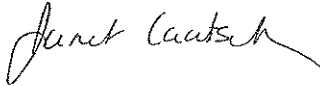
The PAP Program was authorized by the New Hampshire Legislature from January 1, 2016 to December 31, 2016 and thus the Waiver proposes a demonstration timeframe of one year.⁵⁰ If the Legislature does not reauthorize the PAP Program, the PAP Program ceases to exist. Because of the time and effort requirements associated with a waiver application, not to mention the administrative costs and burdens incurred by the State in filing a waiver application and subsequent extensions, we respectfully request the Waiver extend the demonstration to a minimum of three years.

Conclusion

We are grateful that our State is in the position to seek a Waiver authorizing Medicaid recipients be placed in QHPs. Our State has made great strides in improving our low-income population's access to health care coverage in the last year. We appreciate the work by DHHS and the New Hampshire Insurance Department in developing this Waiver and look forward to continuing to partner with the State going forward.

Thank you again for giving us the opportunity to provide you comments on such an important program.

Sincerely,



Janet Laatsch, CEO

Email: jlaatsch@goodwinch.org

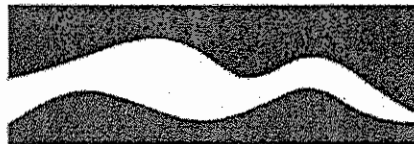
Phone: (603) 516-2550

⁴⁹ *Id.*

⁵⁰ N.H. Rev. Stat. Ann. § 126-A:5(XXV)(e)(1) (2014); *see* Waiver at 6.

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October 29, 2014

Jeffrey A. Meyers
Director of Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
PAP1115Waiver@dhhs.state.nh.us

Dear Jeffrey:

Thank you for the opportunity to provide comments on the New Hampshire Health Protection Program Premium Assistance Section 1115 Research and Demonstration Waiver (Waiver). Bi-State is a non-profit, two-state organization that represents 15 non-profit Community Health Centers (CHCs) with 39 locations in New Hampshire. Bi-State advocates for access to health care for all New Hampshire citizens, with a special emphasis on medically underserved areas. New Hampshire's CHCs serve over 100,000 residents annually, of which 30,000 are uninsured. Bi-State and our members are thrilled to see the State is taking steps to expand health care coverage to low-income New Hampshire residents. If approved, the Waiver will allow the State to provide health insurance coverage to adults between the ages of 19 and 65 with incomes at or below 133% of the Federal Poverty Level through the Premium Assistance Program (PAP Program).¹ We appreciate and support the State's goals of: 1) addressing the continuity of coverage for the newly eligible adult Medicaid population; 2) rationalizing provider reimbursement; 3) promoting overall health of our low-income citizens; and 4) relieving the burden of uncompensated care affecting providers statewide. Our comments below address the concerns of Bi-State and our members as to how the Waiver may affect New Hampshire's low-income population's access to health care.

Cost-sharing

Bi-State and our members understand that our comments must be directed at the Waiver, however, we feel it is important to provide input on the Proposed Standard Cost-sharing Plan (Plan) included on the NH Department of Health and Human Services' Premium Assistance Program Section 1115 Demonstration Waiver website.² The Waiver specifies that the State will amend its State Plan Amendment to include cost-sharing measures for individuals living between 100% and 133% of the federal poverty level (FPL) and caps the cost-sharing at 5% of quarterly household income.³ The comments outlined below address the cost-sharing included in the Plan.

¹ NH DHHS, NH Health Protection Program Premium Assistance, §1115 Research and Demonstration Waiver, 1 (October 2014).

² See Proposed Standard Cost-sharing Plan, <http://www.dhhs.state.nh.us/pap-1115-waiver/documents/cost-sharing-10012014.pdf> (October 2014).

³ Waiver at 14.

The Waiver hypothesizes that enrollees “will have equal or greater timely access to primary, specialty, and behavioral health care services.”⁴ The Waiver also states that enrollees will have equal or lower rates of emergency department use, and avoidable ambulatory care sensitive hospital admissions.⁵ The Waiver indicates that the co-payments envisioned in the waiver “will not pose a barrier to accessing care.”⁶ These are admirable goals that we support, however, Bi-State and our members believe that the cost-sharing structure included in the Plan will negatively affect enrollees’ access to care because cost-sharing inhibits low-income patients from accessing not only primary and preventive care, but behavioral health services as well.⁷

Prescription Co-pays

We believe personal responsibility measures can be effective if employed correctly, but the cost-sharing measures included in the Plan will discourage low-income residents from accessing necessary care.⁸ Individuals living between 100% and 133% of the FPL earn between \$11,670 and \$15,521 annually. This population includes individuals with complex socioeconomic backgrounds and individuals who are more likely to have chronic conditions that require pharmaceutical treatment and monitoring by a health care provider than an individual with a higher income.⁹ In addition, this population is more likely to experience barriers to care due to cost than a person with traditional private insurance.¹⁰ If PAP Program enrollees did not participate in the Bridge Program, it is likely this population was uninsured and paid out of pocket for their health care needs prior to participation in the PAP Program. As a result, those PAP Program enrollees are less likely to have accessed a primary care provider.¹¹ The Plan includes pharmaceutical co-payments as high as \$6 despite evidence that co-payments as low as \$2 to \$3 for prescription medications decrease adherence to prescription regimens.¹² In contrast, studies show that decreased cost-sharing improves health outcomes, including for those with chronic conditions.¹³

Decreasing adherence to treatment plans contradicts the hypothesis stated in the Waiver: “[t]he co-payments will not pose a barrier to accessing care” and has the potential impact of negatively affecting those with chronic conditions such as mental illness.¹⁴ “One multistate study of Medicaid claims data found generic co-pays of only \$2 or \$3 correlated with significantly lower adherence to medications for schizophrenia as compared with no co-pays.”¹⁵ Delayed or discontinued prescription use has a greater impact on the low-income population and results in an increase of low-income patients foregoing prescription treatment.¹⁶ Combined with the

⁴ Waiver at 4.

⁵ Waiver at 5.

⁶ Waiver at 6.

⁷ See Danny McCormick, Assaad Sayah, Hermione Lokko, et al., *Access to Care After Massachusetts’ Health Care Reform: A Safety Net Hospital Patient Survey*, 1552 (July 2012).

⁸ See National Health Law Program, *Medicaid Premiums and Cost-sharing*, 1 (March 2014).

⁹ See *id.* at 5, 11.

¹⁰ See McCormick at 1550; see also Kaiser Commission on Medicaid and the Uninsured, *Premiums and Cost-Sharing in Medicaid: A Review of Research Findings*, 6 (February 2013).

¹¹ See McCormick at 1550.

¹² Plan; see National Health Law Program at 6, 9.

¹³ National Health Law Program at 3, 6.

¹⁴ See Waiver at 6.

¹⁵ National Health Law Program at 9.

¹⁶ *Id.* at 5.

behavioral health inpatient co-pay of \$50, the Plan has the potential to reduce access within an already fragile behavioral health care delivery system in New Hampshire.¹⁷ If patients are able to access the care they need when the symptoms are acute and manageable, New Hampshire's health care systems will save money because adverse health outcomes will be avoided.¹⁸

In addition to affecting the ability of patients to comply with prescription treatments, the cost-sharing included in the Plan will negatively affect the ability of patients to access outpatient services for behavioral health and other health care needs.¹⁹ The Plan includes cost-sharing for imaging services, behavioral health inpatient services, hospital inpatient services, and "other medical professionals."²⁰ Studies show that patients are likely to reduce utilization of these services in particular because of cost-sharing.²¹ This will negatively affect patients with chronic illnesses, such as cancer and mental illness, as evidence suggests a likelihood patients will discontinue necessary services, especially those who need access to behavioral health services.²² In addition, the term "other medical professionals" is not defined in the Waiver or Plan.²³ If this term includes services that are accessed on a daily basis, such as home health care services, PAP Program participants will experience exponential costs; making it less likely that the participant will access necessary care that delays more expensive medical intervention.

Cost Shifting

The level of cost-sharing included in the Plan will negatively affect providers because of cost shifting.²⁴ The Waiver requires providers collect "all applicable co-payments at the point of care."²⁵ FQHCs and CHCs cannot deny a patient care because of the patient's inability to pay. If the provider cannot collect payment from the patient, the provider will not only lose the amount of the co-payment, but also the administrative costs of trying to collect the co-payment. This will increase the uncompensated care burden on providers. Further, patients who cannot afford co-payments are more likely to rely on the services of safety net primary care providers such as the FQHCs and CHCs, which will place more financial burden on these small, non-profit businesses.²⁶ Cost shifting due to co-payments may result in an inability of safety net providers to continue to provide services at the level currently seen statewide.²⁷

Alternatives to cost-sharing

Personal responsibility can take many forms, including participation in care management programs, many of which are offered by providers, participation in group therapy for chronic illnesses, and wellness programs. For example, like many chronic diseases, diabetes requires prescription treatment and provider monitoring. It is also a disease that can lead to more costly

¹⁷ See Plan.

¹⁸ See Kaiser Commission on Medicaid and the Uninsured, Premiums and Cost-Sharing in Medicaid: A Review of Research Findings, 1 (February 2013).

¹⁹ See National Health Law Program at 8; see also Kaiser Commission on Medicaid and the Uninsured at 6.

²⁰ See Plan.

²¹ National Health Law Program at 8.

²² See *id.* at 8, 9.

²³ See Plan.

²⁴ See National Health Law Program at 3.

²⁵ Waiver at 14.

²⁶ See Kaiser Commission on Medicaid and the Uninsured at 1.

²⁷ See McCormick at 1553.

interventions if not managed correctly. Similar to other chronic conditions, chronic disease management is shown to reduce overall health care costs in patients with diabetes and improve the quality of care.²⁸ As currently written, the Plan discourages adherence to a provider's recommended course of treatment for chronic and non-chronic conditions through the use of cost-sharing. Therefore, we ask the State to consider requiring participation in programs that educate and encourage chronic disease self-management and overall wellness rather than employing cost-sharing measures. These programs "more strongly govern" health care costs than cost-sharing, especially for our low-income residents.²⁹

Calculating and Collecting Cost-sharing

The Waiver requires aggregate quarterly cost-sharing and places an annual cap on cost-sharing at 5% of quarterly household income.³⁰ In addition, PAP Program enrollees must notify the State within 10 days of any changes in financial eligibility.³¹ The Waiver also states that the enrollees' aggregate amount of co-payments will be monitored to ensure the enrollee does not exceed the annual limit.³² However, it is unclear who will conduct the monitoring of these co-payments and how often.³³ This could potentially negatively affect PAP Program enrollees, especially those whose incomes fluctuate frequently. A large number of the adults who are eligible for health insurance coverage through the PAP Program work in the service industries, including restaurants, hotels, construction, and grocery stores, and their employment is often seasonal.³⁴ Their incomes are likely to frequently fluctuate given the nature of employment. Tracking of enrollees' income in order to ensure an individual's costs do not exceed that cap will be a costly endeavor, regardless of whether the State or the QHP collects this information. As currently written, it is unclear what the notification process will be for ensuring a PAP Program enrollee receives notice that the cap has been met. It is also unclear how providers will be notified as to whether or not to collect payment from the patient at the time of service and how quickly the PAP Program will respond to enrollees' notification of change in income. A patient with a chronic condition could potentially pay in excess of the 5% cap for an entire quarter unless the State's monitoring system is in real time. Minimal cost-sharing results in the delay of accessing necessary care and a reduction in the utilization of less costly health care services.³⁵

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²⁸ See Jaan Sidorov, Robert Shull, Janet Tomcavage, et al., Does Diabetes Disease Management Save Money and Improve Outcomes?, 684 (April 2002).

²⁹ See National Health Law Program at 4.

³⁰ Waiver at 14.

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⁴⁰ Waiver at 28.

⁴¹ *See id.* at 2.

⁴² Karen Pollitz and Cynthia Cox, *Medical Debt Among People with Health Insurance*, 18 (January 2014).

⁴³ Waiver at 28.

⁴⁴ *Id.*

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⁴⁶ HRSA <http://www.hrsa.gov/OPA/> (last accessed in October 2014).

⁴⁷ *Id.*

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Proposed Timeframe for the Waiver

The PAP Program was authorized by the New Hampshire Legislature from January 1, 2016 to December 31, 2016 and thus the Waiver proposes a demonstration timeframe of one year.⁵⁰ If the Legislature does not reauthorize the PAP Program, the PAP Program ceases to exist. Because of the time and effort requirements associated with a waiver application, not to mention the administrative costs and burdens incurred by the State in filing a waiver application and subsequent extensions, we respectfully request the Waiver extend the demonstration to a minimum of three years.

Conclusion

Bi-State and our members are grateful that our State is in the position to seek a Waiver authorizing Medicaid recipients be placed in QHPs. Our State has made great strides in improving our low-income population's access to health care coverage in the last year. We appreciate the work by DHHS and the New Hampshire Insurance Department in developing this Waiver and look forward to continuing to partner with the State going forward.

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⁴⁹ *Id.*

⁵⁰ N.H. Rev. Stat. Ann. § 126-A:5(XXV)(e)(1) (2014); *see* Waiver at 6.

Thank you again for giving us the opportunity to provide you comments on such an important program.

Sincerely,



Kristine E. Stoddard, Esq.
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kstoddard@bistatepca.org



MANCHESTER
COMMUNITY
HEALTH CENTER

NH 03101

145 Hollis Street, Manchester,

October 29, 2014

Jeffrey A. Meyers
Director of Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
PAP115Waiver@dhhs.state.nh.us

Dear Jeffrey:

Thank you for the opportunity to provide comments on the New Hampshire Health Protection Program Premium Assistance Section 1115 Research and Demonstration Waiver (Waiver). Manchester Community Health Center (MCHC) is a Federally Qualified Health Center. Our mission is:

To improve the health and well-being of our patients and the communities we serve by leading the effort to eliminate health disparities by providing exceptional primary and preventive healthcare and support services which are accessible to all.

MCHC was started in 1993 in downtown Manchester. We now have three locations of care and approximately 15,000 patients. Over 40% of our patients have Medicaid, and about the same percentage are uninsured. We serve a very diverse community, with about 45% of our daily visits requiring interpreters for one of the 62 languages spoken at our health center.

MCHC is very happy to see the State is taking steps to expand health care coverage to low-income New Hampshire residents. If approved, the Waiver will allow the State to provide health insurance coverage to adults between the ages of 19 and 65 with incomes at or below 133% of the Federal Poverty Level through the Premium Assistance Program (PAP Program).¹ We appreciate and support the State's goals of: 1) addressing the continuity of coverage for the newly eligible adult Medicaid population; 2) rationalizing provider reimbursement; 3) promoting overall health of our low-income citizens; and 4) relieving the burden of uncompensated care affecting providers statewide. Our comments below address our concerns as to how the Waiver may affect New Hampshire's low-income population's access to health care.

Cost-sharing

MCHC understands that our comments must be directed at the Waiver, however, we feel it is important to provide input on the Proposed Standard Cost-sharing Plan (Plan) included on the NH Department of Health and Human Services' Premium Assistance Program Section 1115

¹ NH DHHS, NH Health Protection Program Premium Assistance, §1115 Research and Demonstration Waiver, 1 (October 2014).

Demonstration Waiver website.² The Waiver specifies that the State will amend its State Plan Amendment to include cost-sharing measures for individuals living between 100% and 133% of the federal poverty level (FPL) and caps the cost-sharing at 5% of quarterly household income.³ The comments outlined below address the cost-sharing included in the Plan.

The Waiver hypothesizes that enrollees “will have equal or greater timely access to primary, specialty, and behavioral health care services.”⁴ The Waiver also states that enrollees will have equal or lower rates of emergency department use, and avoidable ambulatory care sensitive hospital admissions.⁵ The Waiver indicates that the co-payments envisioned in the waiver “will not pose a barrier to accessing care.”⁶ These are admirable goals that we support, however, we believe that the cost-sharing structure included in the Plan will negatively affect enrollees’ access to care because cost-sharing inhibits low-income patients from accessing not only primary and preventive care, but behavioral health services as well.⁷

Prescription Co-pays

We believe personal responsibility measures can be effective if employed correctly, but the cost-sharing measures included in the Plan will discourage low-income residents from accessing necessary care.⁸ Individuals living between 100% and 133% of the FPL earn between \$11,670 and \$15,521 annually. This population includes individuals with complex socioeconomic backgrounds and individuals who are more likely to have chronic conditions that require pharmaceutical treatment and monitoring by a health care provider than an individual with a higher income.⁹ In addition, this population is more likely to experience barriers to care due to cost than a person with traditional private insurance.¹⁰ If PAP Program enrollees did not participate in the Bridge Program, it is likely this population was uninsured and paid out of pocket for their health care needs prior to participation in the PAP Program. As a result, those PAP Program enrollees are less likely to have accessed a primary care provider.¹¹ The Plan includes pharmaceutical co-payments as high as \$6 despite evidence that co-payments as low as \$2 to \$3 for prescription medications decrease adherence to prescription regimens.¹² In contrast, studies show that decreased cost-sharing improves health outcomes, including for those with chronic conditions.¹³

Decreasing adherence to treatment plans contradicts the hypothesis stated in the Waiver: “[t]he co-payments will not pose a barrier to accessing care” and has the potential impact of negatively

² See Proposed Standard Cost-sharing Plan, <http://www.dhhs.state.nh.us/pap-1115-waiver/documents/cost-sharing-10012014.pdf> (October 2014).

³ Waiver at 14.

⁴ Waiver at 4.

⁵ Waiver at 5.

⁶ Waiver at 6.

⁷ See Danny McCormick, Assaad Sayah, Hermione Lokko, et al., Access to Care After Massachusetts’ Health Care Reform: A safety Net Hospital Patient Survey, 1552 (July 2012).

⁸ See National Health Law Program, Medicaid Premiums and Cost-sharing, 1 (March 2014).

⁹ See *id.* at 5, 11.

¹⁰ See McCormick at 1550; see also Kaiser Commission on Medicaid and the Uninsured, Premiums and Cost-Sharing in Medicaid: A Review of Research Findings, 6 (February 2013).

¹¹ See McCormick at 1550.

¹² Plan; see National Health Law Program at 6, 9.

¹³ National Health Law Program at 3, 6.

affecting those with chronic conditions such as mental illness.¹⁴ “One multistate study of Medicaid claims data found generic co-pays of only \$2 or \$3 correlated with significantly lower adherence to medications for schizophrenia as compared with no co-pays.”¹⁵ Delayed or discontinued prescription use has a greater impact on the low-income population and results in an increase of low-income patients foregoing prescription treatment.¹⁶ Combined with the behavioral health inpatient co-pay of \$50, the Plan has the potential to reduce access within an already fragile behavioral health care delivery system in New Hampshire.¹⁷ If patients are able to access the care they need when the symptoms are acute and manageable, New Hampshire’s health care systems will save money because adverse health outcomes will be avoided.¹⁸

In addition to affecting the ability of patients to comply with prescription treatments, the cost-sharing included in the Plan will negatively affect the ability of patients to access outpatient services for behavioral health and other health care needs.¹⁹ The Plan includes cost-sharing for imaging services, behavioral health inpatient services, hospital inpatient services, and “other medical professionals.”²⁰ Studies show that patients are likely to reduce utilization of these services in particular because of cost-sharing.²¹ This will negatively affect patients with chronic illnesses, such as cancer and mental illness, as evidence suggests a likelihood patients will discontinue necessary services, especially those who need access to behavioral health services.²² In addition, the term “other medical professionals” is not defined in the Waiver or Plan.²³ If this term includes services that are accessed on a daily basis, such as home health care services, PAP Program participants will experience exponential costs, making it less likely that the participant will access necessary care that delays more expensive medical intervention.

Cost Shifting

The level of cost-sharing included in the Plan will negatively affect providers because of cost shifting.²⁴ The Waiver requires providers collect “all applicable co-payments at the point of care.”²⁵ FQHCs and CHCs cannot deny a patient care because of the patient’s inability to pay. If the provider cannot collect payment from the patient, the provider will not only lose the amount of the co-payment, but also the administrative costs of trying to collect the co-payment. This will increase the uncompensated care burden on providers. Further, patients who cannot afford co-payments are more likely to rely on the services of safety net primary care providers such as the FQHCs and CHCs, which will place more financial burden on these small, non-profit

¹⁴ See Waiver at 6.

¹⁵ National Health Law Program at 9.

¹⁶ *Id.* at 5.

¹⁷ See Plan.

¹⁸ See Kaiser Commission on Medicaid and the Uninsured, Premiums and Cost-Sharing in Medicaid: A Review of Research Findings, 1 (February 2013).

¹⁹ See National Health Law Program at 8; see also Kaiser Commission on Medicaid and the Uninsured at 6.

²⁰ See Plan.

²¹ National Health Law Program at 8.

²² See *id.* at 8, 9.

²³ See Plan.

²⁴ See National Health Law Program at 3.

²⁵ Waiver at 14.

businesses.²⁶ Cost shifting due to co-payments may result in an inability of safety net providers to continue to provide services at the level currently seen statewide.²⁷

Alternatives to cost-sharing

Personal responsibility can take many forms, including participation in care management programs, many of which are offered by providers, participation in group therapy for chronic illnesses, and wellness programs. For example, like many chronic diseases, diabetes requires prescription treatment and provider monitoring. It is also a disease that can lead to more costly interventions if not managed correctly. Similar to other chronic conditions, chronic disease management is shown to reduce overall health care costs in patients with diabetes and improve the quality of care.²⁸ As currently written, the Plan discourages adherence to a provider's recommended course of treatment for chronic and non-chronic conditions through the use of cost-sharing. Therefore, we ask the State to consider requiring participation in programs that educate and encourage chronic disease self-management and overall wellness rather than employing cost-sharing measures. These programs "more strongly govern" health care costs than cost-sharing, especially for our low-income residents.²⁹

Calculating and Collecting Cost-sharing

The Waiver requires aggregate quarterly cost-sharing and places an annual cap on cost-sharing at 5% of quarterly household income.³⁰ In addition, PAP Program enrollees must notify the State within 10 days of any changes in financial eligibility.³¹ The Waiver also states that the enrollees' aggregate amount of co-payments will be monitored to ensure the enrollee does not exceed the annual limit.³² However, it is unclear who will conduct the monitoring of these co-payments and how often.³³ This could potentially negatively affect PAP Program enrollees, especially those whose incomes fluctuate frequently. A large number of the adults who are eligible for health insurance coverage through the PAP Program work in the service industries, including restaurants, hotels, construction, and grocery stores, and their employment is often seasonal.³⁴ Their incomes are likely to frequently fluctuate given the nature of employment. Tracking of enrollees' income in order to ensure an individual's costs do not exceed that cap will be a costly endeavor, regardless of whether the State or the QHP collects this information. As currently written, it is unclear what the notification process will be for ensuring a PAP Program enrollee receives notice that the cap has been met. It is also unclear how providers will be notified as to whether or not to collect payment from the patient at the time of service and how quickly the PAP Program will respond to enrollees' notification of change in income. A patient with a chronic condition could potentially pay in excess of the 5% cap for an entire quarter unless the

²⁶ See Kaiser Commission on Medicaid and the Uninsured at 1.

²⁷ See McCormick at 1553.

²⁸ See Jaan Sidorov, Robert Shull, Janet Tomcavage, et al., Does Diabetes Disease Management Save Money and Improve Outcomes?, 684 (April 2002).

²⁹ See National Health Law Program at 4.

³⁰ Waiver at 14.

³¹ N.H. Rev. Stat. Ann. § 126-A:5(XXV)(e)(1) (2014).

³² Waiver at 14.

³³ *Id.*

³⁴ See Fact Sheet: Impact of Medicaid Expansion by Industry, <http://www.nhfpi.org/research/fact-sheet-impact-medicaid-expansion-industry.html> (October 2013).

State's monitoring system is in real time. Minimal cost-sharing results in the delay of accessing necessary care and a reduction in the utilization of less costly health care services.³⁵

Grievance and Appeals Process

The Waiver creates a bifurcated grievance and appeals process based on the service at issue for the PAP Program enrollee.³⁶ MCHC is pleased to see the Waiver include notification to enrollees of the QHP appeals process governed by statute, which services are covered by the QHP appeals process, and notification of the services that will be subject to the Medicaid appeals process.³⁷ We understand that PAP Program enrollees are QHP consumers, however, this population has different needs, socioeconomic backgrounds, and education levels than a typical privately insured consumer. While notification from the State as to which services are covered by which appeals process is beneficial, we do not believe this will adequately meet the needs of this population. We respectfully request the State consider a monthly grievance and appeals process review program to ensure the appellate process established by statute for the QHPs is as effective for the PAP Program enrollees as that of the Medicaid appeals process. In addition, we ask the State to create and appoint an Ombudsman to assist PAP Program enrollees with the navigation of not only the QHP appellate process, but also the Medicaid fair hearing process.

Auto-Assignment of PAP Program Enrollees to QHPs

The Waiver prescribes an auto-assignment process for individuals transitioning from Medicaid Care Management to the PAP Program, allows individuals to select a different QHP than the auto-assignment if they desire with 60 days, and allows individuals who were not auto-assigned to select a QHP.³⁸ We appreciate that the notice sent to enrollees will include guidance on how to select a QHP, however, we hope enrollees will have access to information such as network adequacy and provider participation. The FQHCs and CHCs experienced significant financial and administrative burdens due to the auto-assignment of their patients during the rollout of Medicaid Managed Care. One FQHC noted that over 1000 of their patients were auto-assigned to another provider. In addition, our patients and staff experienced difficulty in determining which providers were covered by which Managed Care Organization (MCO). One MCO's website listed providers by organization, while another listed individual providers. We respectfully request the State maintain an accurate provider and network list in multiple formats, e.g. online or by phone, that are updated in real time to ensure PAP Program enrollees and providers have the most accurate and up-to-date information.

Network Adequacy

We are pleased the State shares our goal of increasing access to health care coverage while ensuring continuity of care. The Waiver states that PAP Program enrollees will have access to the QHP networks, which are the same networks individuals who purchase coverage in the individual market have.³⁹ While this might comply with the requirements of Section 1902(a)(30)(A) of the Social Security Act, it is unclear at this time if this will negatively affect potential PAP Program enrollees. We hope the State will ensure PAP Program enrollees (former

³⁵ Kaiser Commission on Medicaid and the Uninsured at 6.

³⁶ Waiver at 11.

³⁷ Waiver at 23.

³⁸ *Id.* at 24.

³⁹ *Id.* at 20.

Medicaid managed care enrollees) have access to necessary providers, providers that they have an established history with, and providers skilled in treating low-income patients with complex socioeconomic needs. We respectfully request network adequacy be continuously monitored to ensure the health outcomes of the PAP Program enrollees are not affected by network adequacy.

Waiver of 90-day Retroactivity

The State seeks to permission to waive the Medicaid 90-day retroactive coverage requirement and limit coverage to the "beginning of Medicaid coverage with the date of the application."⁴⁰ The reason given by the State for this request is that the majority of the enrollees will be moved from Medicaid care management into the PAP Program. This assumption presents a number of problems not only for the patients but also providers, including: 1) there will be a number of PAP Program enrollees who were not included in Medicaid managed care and would benefit from having 90-day retroactive coverage; 2) the population the PAP Program is designed to serve often have complex socioeconomic backgrounds that will inhibit them from seeking coverage when they initially present to a provider, even if eligible at the time of service; and 3) if a provider serves an uninsured patient who is eligible for coverage under the PAP Program prior to the application date, the provider will not receive reimbursement for the care provided. This will unnecessarily increase that provider's level of uncompensated care, which is in direct conflict with the goals as outlined in the Waiver.⁴¹ Medical debt is the most cited reason as to why a person files for bankruptcy in the US.⁴² The number of individuals that will be uninsured prior to participation in the PAP Program is likely small; therefore, the 90-day retroactivity coverage requirement should not be waived given the significant financial impact it will have on the PAP Program enrollees and providers.

Waiver of Medicaid's 24-hour Prior Authorization Requirement for Prescription Drugs

We respect the crucial role the QHPs will play in providing coverage to the PAP Program enrollees and understand the desire to align prior authorization standards for PAP Program enrollees with those of the standard QHPs. However, the population that will receive health insurance coverage through the PAP Program are Medicaid recipients with more complex health needs than the typical privately insured consumer. The Waiver requests prior authorization for prescriptions be addressed within 72 hours rather than 24 hours as currently required by Medicaid.⁴³ The Waiver also seeks permission to issue a 72-hour supply of the requested prescription medication in the event of an emergency, but does not define an "emergency."⁴⁴ The Waiver also does not indicate who makes the determination as to whether there is an emergency: whether it is the QHP, the pharmacist, the provider, or the patient.⁴⁵ We respectfully request that the Waiver be clarified to indicate who makes the determination as to whether an emergency exists and how that determination is to be made.

340B Drug Pricing Program

⁴⁰ Waiver at 28.

⁴¹ See *id.* at 2.

⁴² Karen Pollitz and Cynthia Cox, *Medical Debt Among People with Health Insurance*, 18 (January 2014).

⁴³ Waiver at 28.

⁴⁴ *Id.*

⁴⁵ See *id.*

The 340B Drug Pricing Program is a program administered by the Office of Pharmacy Affairs within the Health Resources and Services Administration.⁴⁶ Participating manufacturers provide outpatient drugs to participating providers (covered entities) at a reduced price, which then allows the covered entities, including FQHCs and critical access hospitals, to provide outpatient drugs to patients at a significantly discounted price.⁴⁷ Covered entities are limited to nonprofit health care organizations funded through certain federal programs.⁴⁸ If a covered entity provides prescription medicine purchased through the 340B Drug Pricing Program to a patient, the State cannot seek a Medicaid rebate for the patient because of the prohibition on duplicate discounts and vice versa. It is unclear if the State has the burden to notify the covered entity that the entity can use 340B prescription medicine.

Also, the Waiver is unclear as to how the State will manage the PAP Program with regards to the 340B Drug Pricing Program: will FQHCs and other 340B Drug Pricing Program providers be able to seek reimbursement for drugs provided to PAP Program enrollees? How will the providers know whether or not the State chooses to seek a Medicaid rebate for that enrollee? What systems will the State put in place to ensure a duplicate discount is avoided? The FQHCs' continued participation in the 340B Drug Pricing Program is crucial to the financial health of the FQHCs: "The 340B Program enables covered entities to stretch scarce Federal resources as far as possible, reaching more eligible patients and providing more comprehensive services."⁴⁹ We respectfully request the covered entities retain the ability to provide prescription medicine purchased through the 340B Drug Pricing Program to PAP Program enrollees.

Proposed Timeframe for the Waiver

The PAP Program was authorized by the New Hampshire Legislature from January 1, 2016 to December 31, 2016 and thus the Waiver proposes a demonstration timeframe of one year.⁵⁰ If the Legislature does not reauthorize the PAP Program, the PAP Program ceases to exist. Because of the time and effort requirements associated with a waiver application, not to mention the administrative costs and burdens incurred by the State in filing a waiver application and subsequent extensions, we respectfully request the Waiver extend the demonstration to a minimum of three years.

Conclusion

We are grateful that our State is in the position to seek a Waiver authorizing Medicaid recipients be placed in QHPs. Our State has made great strides in improving our low-income population's access to health care coverage in the last year. We appreciate the work by DHHS and the New Hampshire Insurance Department in developing this Waiver and look forward to continuing to partner with the State going forward.

Thank you again for giving us the opportunity to provide you comments on such an important program.

⁴⁶ HRSA <http://www.hrsa.gov/OPA/> (last accessed in October 2014).

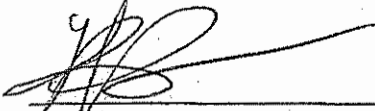
⁴⁷ *Id.*

⁴⁸ HRSA <http://www.hrsa.gov/OPA/>.

⁴⁹ *Id.*

⁵⁰ N.H. Rev. Stat. Ann. § 126-A:5(XXV)(e)(1) (2014); *see* Waiver at 6.

Sincerely,



Kris McCracken, President/CEO

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NEW HAMPSHIRE LEGAL ASSISTANCE

Working for Equal Justice Since 1971

www.nhla.org

October 30, 2014

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Jeffrey A. Meyers, Director
Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street – Thayer Building
Concord, NH 03301-3857

Via Email Only to PAP1115Waiver@dhhs.state.nh.us

RE: New Hampshire Health Protection Program
Premium Assistance Section 1115 Research and Demonstration Waiver
Comments of New Hampshire Legal Assistance

Dear Mr. Meyers:

New Hampshire Legal Assistance (NHLA) submits these comments regarding the draft Premium Assistance Section 1115 Research and Demonstration Waiver (“draft Waiver”).¹ Please consider these comments in addition to those we submitted on October 8, 2014, and October 20, 2014.

NHLA is a non-profit law firm. We represent low-income and elderly clients in civil cases impacting their basic needs. Healthcare is a fundamental human need, and our law firm prioritizes representation of people who need access to healthcare and health insurance coverage. We applaud the Department of Health and Human Services (“DHHS”) and the Insurance Department (“NHID”) for your efforts to implement the New Hampshire Health Protection Program. This expansion of health insurance coverage is a magnificent step toward improved access to healthcare for low-income Granite Staters.

NHLA supported SB 413, which created the Health Protection Program, and we support your efforts to stand up the Premium Assistance Program. We do have substantial concerns about two components of the draft Waiver: (1) the

¹ NHLA submits these comments without prejudice to the right of our law firm and/or our current or future clients to make any claims in any current or future litigation. Absence of comment regarding any provision in the draft Waiver should not be construed as support for that provision nor agreement that it is lawful.

elimination of the Medicaid appeal process for enrollees; and (2) the mechanism for tracking enrollees' maximum cost-sharing obligations.

Appeals

The draft Waiver's list of specific waiver requests does not include waiver of the Medicaid appeal process for Premium Assistance Program enrollees. It is however apparent that DHHS is indeed proposing to eliminate Medicaid appeals in many circumstances. See Draft Waiver at 27-28. According to Section III of the draft Waiver, Premium Assistance Program enrollees will be entitled to use the Qualified Health Plan ("QHP") appeal process for coverage determinations related to services provided through the QHP. (As we understand the draft Waiver and related information received from DHHS and NHID, the Medicaid appeal process will remain available for all eligibility-related determinations and coverage determinations for so-called "wrapped" services.) See Draft Waiver at 11-12.

Although Premium Assistance Program enrollees will have their health insurance delivered through QHPs, they will remain Medicaid beneficiaries entitled to the rights afforded them under the Medicaid statute and regulations. Medicaid law has been carefully crafted to meet the specific healthcare and health insurance coverage needs of low-income people. Its appeal provisions are designed to ensure that low-income people never lose their critically important health insurance benefits without a lawful reason. These essential protections derive from the Due Process Clause of the U.S. Constitution as interpreted in the Supreme Court's landmark decision in Goldberg v. Kelly, 397 U.S. 254 (1970). Medicaid regulations require that state Medicaid agencies provide appeal processes that comply with Goldberg. 42 C.F.R. 431.205(d) ("The [Medicaid] hearing system must meet the due process standards set forth in Goldberg v. Kelly, 397 U.S. 254 (1970)").

Two cornerstone principles of Medicaid appeal law are that beneficiaries must have an opportunity for a hearing before their benefits are reduced or terminated, and that those beneficiaries who choose to appeal must have the option to continue receiving benefits while the appeal is pending. These concepts are generally known as "pre-termination review" and "aid paid pending appeal," respectively. (There are numerous other procedural requirements going to the nature of the appeal process, as well.)

The QHP appeal process fails to provide adequately either pre-termination review or aid paid pending appeal. Although somewhat heightened procedural protections in the vein of pre-termination review and aid paid pending appeal are available for so-called "expedited" internal and external appeals under RSA 420-J and the applicable NHID regulations, they do not fully comply with Medicaid appeal law. And even those protections are not available at all for non-expedited internal and external appeals. Many QHP internal and external appeals will

involve coverage determinations that do not qualify for the expedited appeal processes. Premium Assistance Program enrollees will therefore lose their right to pre-termination review and aid paid pending appeal in many circumstances. Medicaid law simply does not permit a distinction between appeals in the nature of expedited appeals and those in the nature of non-expedited appeals. Any waiver of enrollees' rights to pre-termination review and/or aid paid pending appeal – as contemplated by the draft Waiver – would likely fail constitutional scrutiny.

The Premium Assistance Program will offer to enrollees a number of “wrapped” benefits – services that are required under Medicaid law but are not Essential Health Benefits provided by QHPs. The Medicaid appeal process should be extended to all QHP coverage determinations, essentially in the form of a wrapped benefit. This will ensure compliance with the Due Process Clause and the Supreme Court's Goldberg decision. It will also mean that Premium Assistance Program enrollees – who may face obstacles such as limited English proficiency, illiteracy, and learning disability, among others – will not have to navigate a multi-venue appeal structure in which they must invoke the Medicaid appeal process for eligibility-related determinations and coverage determinations for wrapped benefits, and the QHP appeal process for coverage determinations made by the QHP.

Cost-Sharing Tracking

As a threshold matter, NHLA offers our wholehearted support for the absence of premiums and coinsurance in the draft Waiver's cost-sharing scheme. That being said, we wish to note that the co-payments proposed for Premium Assistance Program enrollees with incomes between 100 and 138 percent of the federal poverty level will work a substantial burden on people who have little, if any, disposable income to spend on healthcare. Abundant research demonstrates that co-payments – even those in relatively small amounts – discourage people from accessing healthcare that they need. See National Health Law Program, “Medicaid Premiums and Cost Sharing” (March 26, 2014), available at www.healthlaw.org/publications/search-publications/Medicaid-Premiums-Cost-Sharing. The central purpose of SB 413, which created the New Hampshire Health Protection Program, was to “promote the improvement of overall health.” That goal simply cannot be achieved if enrollees can't afford co-payments and therefore forego or delay healthcare. We encourage DHHS and NHID to explore every possible avenue for reducing or eliminating copayments.

The significance of the cost-sharing burden underscores the importance of tracking enrollees' co-payments to ensure that they do not exceed their maximum cost-sharing obligations. The draft Waiver caps cost-sharing at 5 percent of quarterly household income. See Draft Waiver at 14. We note that capping cost-sharing at 5 percent of monthly household income, which appears to be permissible under Medicaid law, would likely reduce the overall cost-sharing

burden on enrollees, and we encourage DHHS and NHID to consider giving enrollees the option to select either a quarterly or a monthly approach.

The draft Waiver is also virtually silent on how the cost-sharing cap will be enforced. DHHS and NHID have not identified their plans to address the following significant issues:

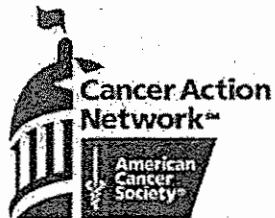
1. Enrollees' quarterly household income may fluctuate not only from quarter to quarter, but within quarters. Their maximum quarterly cost-sharing obligations should be capable of immediate adjustment upon notice to DHHS of a change in income.
2. Enrollees may also suffer sharp declines in income sufficient to move them below 100 percent of the federal poverty level. The cost-sharing tracking mechanism should be capable of immediately eliminating their obligation to make co-payments, even within a particular quarter.
3. The "shoebox method" – requiring enrollees to track their own co-payments – should be avoided at all costs.
4. There should be a simple way for DHHS and NHID to make enrollees whole when they pay co-payments exceeding 5 percent of quarterly household income. Refunds should be processed promptly and automatically, without requiring enrollees to request them.

Once again, we thank you for your efforts to implement the New Hampshire Health Protection Program consistent with the objectives of SB 413. NHLA would welcome the opportunity to continue working with you as you move forward.

Very truly yours,



Sarah Mattson Dustin, Esq.
Policy Director



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October 30, 2014

Jeffrey A. Meyers
Director, Intergovernmental Affairs
NH Department of Health and Human Services
Office of Medicaid Business and Policy Legal and Policy Unit
129 Pleasant Street Thayer Building
Concord, NH 03301

Re: New Hampshire Health Protection Program

Dear Director Meyers:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on the New Hampshire Health Protection Program demonstration project. ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, supports evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As the nation's leading advocate for public policies that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

ACS CAN strongly supports expanded access to Medicaid. Over 8,450 New Hampshire residents are expected to be diagnosed with cancer this year¹ – many of whom will rely on Medicaid for their care. Our comments on the proposal are intended to ensure that cancer patients in New Hampshire (including the newly diagnosed, those in active treatment, and survivors) will have adequate access and coverage under the New Hampshire Health Protection Program and that specific requirements do not have the effect of creating barriers to care for low-income cancer patients.

Medically Frail

New Hampshire proposes excluding individuals who are identified as medically frail from enrollment in the qualified health plan (QHP) premium assistance program, allowing them to enroll in coverage under Title XIX, with either the Alternative Benefit Plan (ABP) or standard Medicaid benefit package.

While we support the state's intention to provide the medically frail with more health care coverage options, we request additional information on a few items related to their exemption from the QHP premium assistance program. Specifically, we would like clarification on the cost sharing responsibilities for those between 100 and 133 percent of the federal poverty level that are determined to be medically frail. Will the medically frail be required to pay the same cost sharing amounts as those non-medically frail QHP premium assistance enrollees of the same income level?

¹ American Cancer Society, Cancer Facts & Figures 2014.

Cancer treatment causes a number of side effects, some of which can be serious and debilitating. Cancer patients undergoing chemotherapy, radiation and/or related surgical procedures may temporarily meet the criteria for medically frail status depending on how that term is defined. We urge the Department to provide greater clarification on the term "medically frail" and whether New Hampshire will allow enrollees the option of temporary medical frailty. In addition, we also ask the Department to detail the evaluation and/or selection criteria that will be used to allow an individual to qualify for medically frail status.

Cost Sharing

New Hampshire proposes to impose cost sharing up to the federal limit of 5 percent for those between 100 and 133 percent of the federal poverty level. However, we encourage the Department to reconsider the proposed aggregate quarterly out-of-pocket (OOP) cost-sharing limit, and instead impose an aggregate monthly out-of-pocket limit. Newly diagnosed cancer patients and those in active treatment often have higher rates of utilization, particularly during and immediately following the initial diagnosis. As such, these individuals would benefit from monthly OOP cost limitations, as it will protect them from high-cost, front-loaded services and care, allowing them to more equitably spread out their cost-sharing over a period of time. The following chart provides an example of how a cancer care becomes more affordable under a monthly out-of-pocket limit.

Individual at 138% FPL (\$16,105 annual income)		
	Monthly: \$67.10	Quarterly: \$201.31
Month 1	3 CT Scans @25= \$75	3 CT Scans @25= \$75
	1 Hospital Inpatient Stay= \$50	1 Hospital Inpatient Stay= \$50
	3 Specialty Physician visits@8= \$24	3 Specialty Physician visits@8= \$24
	1 Generic Drug= \$2	1 Generic Drug= \$2
	2 Brand Drug= \$12	2 Brand Drug= \$12
	Total: \$67.10	Total: \$163.00
Month 2	1 Physician visit- \$0	1 Physician visit- \$0
	2 Specialist Visits- \$16	2 Specialist Visits- \$16
	2 Brand Drugs- \$12	2 Brand Drugs- \$12
	Total: \$28	Total: \$28
Month 3	2 Specialist Visits- \$16	2 Specialist Visits- \$16
	2 Brand Drugs- \$12	2 Brand Drugs- \$12
	Total: \$28.00	Total: \$10.31
3 Month TOTAL	\$123.10	\$201.31
<p style="text-align: center;">*** The service utilization example provided above is for illustrative purposes only and does not reflect a specific treatment protocol.</p>		

New Hampshire proposes imposing copayment of \$25 for imaging services and a \$50 copayment for hospitals inpatient services. For a patient with a serious, chronic condition such as cancer, the proposed cost sharing for imaging and inpatient hospitalization could pose a significant barrier to care. Cancer patients often need multiple imaging tests to diagnose their cancer and evaluate if the cancer treatment is working. Additionally, cancer patients may need to undergo inpatient surgical procedures to treat their cancer. The co-payments associated with these procedures, in addition to the other related cost sharing requirements, such as prescription drug and specialty care visits could create considerable financial hardship for an individual or family fighting cancer. We ask the Department to consider reducing the co-payments for imaging tests and inpatient hospitalization.

Retroactive Eligibility

We appreciate New Hampshire taking the proactive step to provide low-income New Hampshire residents early access to health care coverage through either the HIPP or bridge program during the premium assistance waiver process. However, we are very concerned about the Department's assumption that all individuals eligible for the NH Health Protection Program will have been enrolled in one of these coverage options eliminating the need for the state to continue providing retroactive eligibility for this coverage group. We urge the Department to reconsider its request for permission to eliminate retroactive eligibility.

In 2012, there were an estimated 120,000 uninsured New Hampshire residents and while the Affordable Care Act and Medicaid expansion will significantly reduce the number of uninsured, a number of state residents will not learn about their coverage options until they experience a health event that forces them to seek medical attention. For example, it is unclear whether an uninsured individual who seeks emergency/urgent care that results in a significant amount of medical care prior to them being determined eligible for coverage under the QHP premium assistance program would be financially responsible for the cost of those services. We urge the Department to clarify that in such situations, the individual would not bear personal responsibility for those costs.

Appeals Determinations

The draft waiver indicates that appeals determinations will vary depending on whether services are defined as urgent or non-urgent. We ask the Department provide definitions of urgent and non-urgent services, specifically indicating whether chemotherapy, radiation and cancer related surgery would be considered an urgent service. Further, we ask the Department to consider the following circumstances in its response: if chemotherapy is considered non-urgent, whether a patient be allowed to receive another round of treatment services while the 30 day appeal determination is being made. In addition, if chemotherapy is considered non-urgent, after diagnosis whether the patient would have to wait (at least) 60 days before beginning their cancer treatment.


Provider Networks

We ask the Department to indicate if the newly eligible population will have access to out-of-network providers. Most private insurance plans have a process by which enrollees can request in-network coverage for an out-of-network provider. If a QHP premium assistance plan's current provider network does not include a specific type of specialist or if the in-network provider appointment wait time/distance is too great, we urge the Department to clarify that QHP premium assistance enrollees

will have the ability to request access to an out-of-network provider. In addition, the Department should clarify that the QHP enrollee will not face higher OOP cost sharing as a result of them accessing an out-of-network provider.

On behalf of the American Cancer Society Cancer Action Network we appreciate the opportunity to provide comments on the state's waiver application. If you have any questions, please feel free to contact me at mike.rollo@cancer.org or 603.471.4115.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Rollo", with a long horizontal flourish extending to the right.

Mike Rollo
Government Relations Director, New Hampshire
American Cancer Society Cancer Action Network

October 31, 2014

Jeffrey A. Meyers, Director, Intergovernmental Affairs
Department of Health and Human Services
Office of Medicaid Business Policy
Legal Policy Unit
129 Pleasant Street – Thayer Building
Concord, NH 03301-3857

VIA ELECTRONIC SUBMISSION

Dear Mr. Meyers, *Jeff*

Planned Parenthood of Northern New England (“Planned Parenthood”) is pleased to submit comments on the New Hampshire Health Protection Program Premium Assistance Section 1115 Research and Demonstration Waiver draft application (“draft application”). As a trusted women’s health care advocate, Planned Parenthood appreciates the opportunity to provide the Department of Health and Human Services (“Department”) feedback on this important proposal.

Planned Parenthood is the largest provider of reproductive and sexual health care for women, men and teens across the State of New Hampshire. For many women of reproductive age, we serve as their primary source of medical care. We serve New Hampshire residents through 6 health centers in Claremont, Derry, Exeter, Keene, Manchester and West Lebanon. Last year we saw nearly 16,000 patients at these sites.

We strongly support the Department’s continued efforts to expand Medicaid coverage to individuals with incomes up to 138 percent of the federal poverty level. Medicaid is a vital part of the health care system and plays a major role in ensuring access to essential primary and preventive care services for women and men. Low-income women, in particular, benefit from the expansion of Medicaid. Greater access to coverage enables hardworking women across the state to obtain the women’s health services that are critical to their health and lives such as birth control, life-saving cancer screenings, and prenatal care.

As New Hampshire moves forward to formalize this proposal and seek federal approval, we strongly urge the Department to ensure the Premium Assistance Program meets the unique health needs of women. Specifically, we urge the Department to implement the program in a manner that will provide women coverage for comprehensive health care services, including family planning and pregnancy-related services, and ensure patient access to the providers they trust. Properly implemented, the Premium Assistance Program will enable women to access the services they need, resulting in better health outcomes for women and their families.

- I. **The Department Should Explicitly Clarify that Premium Assistance Program Enrollees Retain Freedom of Choice for Family Planning Providers.**

The draft application seeks to waive freedom of choice broadly (1902(a)(23) of the Social Security Act) so that enrollees can receive services only from in-network providers that participate in select qualified health plans (QHPs). Yet multiple provisions of federal law and policy unequivocally protect an enrollee’s ability to receive family planning services from any qualified Medicaid provider – even if the

provider is out-of-network and without referral.¹ Indeed, the Centers for Medicare and Medicaid Services (CMS) has rightly enforced the “family planning freedom of choice” protection with 1115 demonstration waivers, including 1115 demonstration waivers to expand Medicaid coverage via premium assistance, to ensure enrollees’ access to family planning services from trusted providers.² While we assume that the Department did not intend to undermine women’s access to family planning and sought to waive 1902(a)(23)(A) instead of 1902(a)(23), we urge the Department clarify that it will preserve 1902(a)(23)(B) (family planning freedom of choice) and operate its proposed Premium Assistance Program in line with federal law and policy.

II. The Department Should Ensure Participating QHPs Provide Women Sufficient and Direct Access to Women’s Health Providers.

To ensure that the new adult group receives quality care, it is important that the Department continue to limit care delivery to QHPs and not broaden premium assistance participation to other carriers in the individual market. Unlike other private plans, federal law requires QHPs to meet certain network adequacy standards,³ in addition to having a sufficient number and geographic distribution of Essential Community Providers (ECPs).⁴ These standards are critical for women’s health care access, particularly for low-income women who rely on family planning ECPs for essential reproductive health services. In addition, the Department must ensure that QHPs provide female enrollees with direct access to a women’s health specialist or OB/GYN within the network for coverage necessary to provide women’s routine and preventive health care services. This is in addition to the enrollee’s designated source of primary care if that source is not otherwise a women’s health specialist.⁵

When health insurance coverage is significantly expanded, women’s health providers are the first to be overwhelmed with increased demand. In fact, when Massachusetts initially implemented health reform, wait times for OB/GYN appointments in Boston increased from 45 days to 70 days. Likewise, OB/GYN providers had the longest wait time of any health care provider primarily because there were not enough women’s health providers in provider networks.

Safeguarding access to women’s health providers will also help ensure that the Premium Assistance Program reflects the unique ways low-income women access health care. According to a recent survey,

¹ 42 U.S.C. § 1396a(a)(23)(B); 42 C.F.R. § 431.51(a)(4); CMS, *State Medicaid Manual* § 2088.5; see also CMS, *Informational Bulletin* (Jun. 1, 2011) (reiterating the federal requirement that states must provide Medicaid enrollees freedom of choice of family planning providers); U.S. Statement of Interest at 4, 8-9, *Planned Parenthood of Indiana v. Comm’r of the Ind. State Dep’t of Health*, 699 F.3d 962 (7th Cir. 2012) (cert denied) (asserting that freedom of choice is a longstanding provision, and that a State may not exclude certain providers from the Medicaid program because of a provider’s scope of practice).

² CMS, Special Terms and Conditions Iowa Marketplace Choice Plan (2013) (“The state Medicaid program will ensure payment at state plan rates of family planning services that the QHP considers to be out-of-network, subject to all third party liability rules”); CMS, Letter to Billy Millwee, Deputy Executive Commissioner of the Texas Health and Human Services Commission (Dec. 12, 2011) (notifying the State of Texas that CMS will not renew the 1115 family planning demonstration waiver because Texas sought to waive freedom of choice of family planning providers).

³ Affordable Care Act (“ACA”) § 1311(c)(1)(B).

⁴ ACA § 1311(c)(1)(C); 45 C.F.R. § 156.235; CMS and CCIIO, 2015 Letter to Issuers in the Federally-facilitated Marketplaces (March 14, 2014), available at <http://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/2015-final-issuer-letter-3-14-2014.pdf> (listing family planning providers as a unique ECP category and requiring issuers to offer contracts in good faith to at least one ECP in each ECP category in each county in the service area).

⁵ 42 C.F.R. § 438.206(b)(2).

41 percent of low-income women report relying on their OB/GYN providers as their main source of care. Therefore, ensuring QHPs have a sufficient number of in-network women's health care providers will help improve women's access to the broader health care system.

In addition, we encourage the Department to implement a network adequacy exceptions process to complement wrap-around services so that individuals can go out-of-network if a provider is not geographically accessible or cannot provide a Medicaid-covered service in a reasonable time. In particular, an exceptions process is important with respect to abortion services. Under federal law, Medicaid programs must cover abortion when continuing the pregnancy will endanger the life of the woman or when a woman's pregnancy results from rape or incest.⁶ However, QHPs have no legal obligation to cover abortion under any circumstances.⁷ Likewise, the exceptions process may be necessary for other reproductive health care that an individual provider may object to or may lack the expertise to provide such as miscarriage management.

III. The Department Must Ensure Sufficient Coverage Mechanisms for Women who Become Pregnant after Enrolling in the Premium Assistance Program to Ensure Their Access to Pregnancy-Related Care in a Timely Manner and Without Cost-Sharing.

The draft application does not detail how women who become pregnant after enrolling in the Premium Assistance Program will access care. While we assume this was an oversight, we urge the Department to clarify that women who become pregnant after enrolling in the Premium Assistance Program will be able to choose to remain in their current QHP or receive pregnancy-only coverage through the traditional Medicaid program. In addition, we ask the Department to reinforce that pregnant women will receive all covered pregnancy-related services, including wrap-around services,⁸ without cost-sharing, regardless of how they receive their coverage.⁹ Moreover, we encourage the Department to ensure that the state's existing pregnancy-reporting mechanisms are sufficient to meet enrollees' needs.

Federal guidance provides pregnant women the choice to remain in the newly eligible group or transfer to traditional Medicaid coverage until the next eligibility determination.¹⁰ Consistent with that guidance, we urge the Department to provide pregnant women the choice to remain in their selected QHP or transfer to pregnancy-only coverage via the traditional Medicaid program. Providing this option is ideal because it empowers each pregnant woman to make decisions about her own pregnancy, including the ability to maintain her current network of providers. If the Department implements such a standard, it

⁶ CMS, Dear State Health Official Letter (Feb. 12, 1998).

⁷ ACA § 1303(b)(1); 45 C.F.R. § 156.280(c)(2).

⁸ If a state permits a pregnant woman to remain in the new adult group, the state must ensure she receives all covered pregnancy-related services provided to pregnant women. In addition, individuals enrolled in premium assistance are entitled to all Medicaid-covered services and cost-sharing protections. 42 C.F.R. § 435.1015(a)(2), (b); CMS, *Medicaid and the Affordable Care Act: Premium Assistance* (Mar. 2013), available at <http://medicaid.gov/Federal-Policy-Guidance/Downloads/FAQ-03-29-13-Premium-Assistance.pdf>; CMS, *What FMAP Applies to Women Enrolled in the New Adult Group Who Become Pregnant?* FAQ 9602, available at <https://questions.medicaid.gov/faq.php?id=5010&faqId=9602>.

⁹ 42 U.S.C. §§ 1396o(a)(2)(B), 1396o(b)(2)(B), 1396o-1(b)(3)(B)(iii); 42 C.F.R. § 447.53(b)(2); 78 Fed. Reg. at 42311 (to be codified at 42 C.F.R. § 447.56(a)(1)(vii)). In addition, the state may not impose premiums on pregnant women who have incomes less than 150 percent FPL. 78 Fed. Reg. at 42310 (to be codified at 42 C.F.R. § 447.55(a)(1)).

¹⁰ CMS, *Medicaid/CHIP Affordable Care Act Implementation Frequently Asked Questions* (May 22, 2012), available at <http://www.medicaid.gov/state-resource-center/FAQ-medicaid-and-chip-affordable-care-act-implementation/downloads/Eligibility-Policy-FAQs.pdf>.

is critical that the Medicaid program notify pregnant women of their right to transfer coverage and provide pregnant women the information necessary to make an informed choice.

Additionally, we urge the Department to confirm its current mechanisms used to identify pregnant women are sufficient and will be integrated into the premium assistance framework. Efficient and effective mechanisms are necessary to ensure pregnant women receive care in a timely manner without cost-sharing. Moreover, the Department must make sure that each pregnant woman receives the full range of pregnancy-related care she is entitled to, regardless of whether she remains in her premium assistance QHP or enrolls in pregnancy-related coverage.

IV. The Department Should Provide Retroactive Coverage for Premium Assistance Program Enrollees.

We appreciate the Department's proposal to transition individuals from Medicaid managed care to premium assistance QHPs so that individuals currently enrolled in Medicaid do not experience gaps in coverage. In addition, we support the Department's plan to auto-enroll individuals in QHP coverage if they fail to select a plan within 60 days (while still providing a period to switch their QHP coverage) so that eligible individuals are guaranteed access to coverage.

However, we are very concerned that the draft application seeks to waive retroactive coverage for new applicants that would be enrolled in the Premium Assistance Program, and we strongly urge the Department to clarify that premium assistance enrollees, like all other Medicaid enrollees, will receive retroactive coverage. Retroactive coverage is required under federal law,¹¹ and it is sound public policy to ensure that all Medicaid enrollees remain entitled to this important federal protection. Providing a retroactive period reduces uncompensated care costs and alleviates financial burdens on health care providers. In addition, retroactive coverage acts an incentive for provider participation in the Medicaid program, as it increases the likelihood that medical providers and health care entities will receive reimbursement for medical costs. Given that the Department estimates that 45,000 individuals will enroll in the Premium Assistance Program, it is critical that the state ensure sufficient provider participation to ensure patients' timely access to care.

V. The Department Should Continue to Provide a Presumptive Eligibility Period to the New Adult Group.

We thank the Department for adopting the state option to provide the new adult group a presumptive eligibility period and for enabling licensed Medicaid providers to make presumptive eligibility determinations.¹² Presumptive eligibility is a "win-win": patients are able to receive care in a timely manner and providers are guaranteed reimbursement for the care they provide to patients who have been determined presumptively eligible. Moreover, enabling providers to make presumptive eligibility determinations helps facilitate public education and outreach about health care coverage options at a time when individuals are receptive to hearing about the care they need and any costs associated with such care.

¹¹ States must pay for covered services provided to individuals during the three month period prior to the date of application, if the applicant would have been eligible at the date of the application. 42 U.S.C. § 1396a(a)(34); 42 C.F.R. § 435.914.

¹² New Hampshire State Plan Amendment # 14-004, <http://www.medicaid.gov/State-resource-center/Medicaid-State-Plan-Amendments/Downloads/NH/NH-14-0004.pdf>.

Because presumptive eligibility is crucial to health care access, we ask the Department to confirm that presumptive eligibility for the new adult group will continue in the premium assistance framework. Specifically, we ask the Department to clarify that licensed Medicaid providers will continue to be able to make presumptive eligibility determinations and that those determinations will be effectively communicated to premium assistance QHPs.

VI. The Departments Should Maintain Cost Protections for Premium Assistance Enrollees.

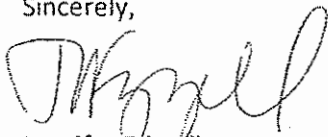
We thank the Department for proposing to implement a premium assistance framework that will exempt individuals with incomes less than 100 percent FPL from premium and cost-sharing obligations. Beyond that framework, we ask the Department to reinforce the federal requirement that cost-sharing must be withheld from family planning services for all individuals, including those between 100 and 138 percent FPL.¹³ These limitations on cost-sharing are consistent with federal law, both under Medicaid and the Affordable Care Act's no cost-sharing provisions and reflect the reality that even minimal co-pays or premium obligations can be an access barrier for low-income individuals and families.

VII. The Department Should Clarify that Family Planning Related Prescription Drugs and Devices May Not Be Subject to Prior Authorization Requirements

While the draft application seeks to waive the existing requirement that prior authorization decisions must be made within 24 hours for prescription drugs, the application, and subsequent communications with QHPs, should clarify that family planning-related prescription drugs or devices (hormonal implants, IUDs, etc.) may not be subjected to prior authorization requirements. Federal Medicaid regulations surrounding managed care provide that "[f]or recipients eligible for family planning services, [the MCO] must provide that each recipient is *free to choose* the method of family planning to be used."¹⁴ At least one of the Medicaid MCOs in New Hampshire had imposed requirements in violation of this prohibition suggesting that this protection needs to be explicitly articulated in the Department's application.

We thank the Department for the opportunity to submit these comments, and we look forward to working together toward our shared goal of improving health care access and coverage. If you have any questions, please do not hesitate to contact me at 603.513.5334 or jennifer.frizzell@ppnne.org.

Sincerely,



Jennifer Frizzell

Vice President for Public Policy

¹³ 42 U.S.C. § 1396o(a)(20)(D), 1396o(b)(2)(D), 1396o-1(b)(3)(B)(vii); 42 C.F.R. § 447.53(b)(5); 78 Fed. Reg. 42160, 42311 (Jul. 15, 2013) (to be codified at 42 C.F.R. § 447.56(a)(2)(ii)).

¹⁴ 42 CFR § 441.20.



October 31, 2014

Via Email

Jeffrey A. Meyers, Esq.
Director, Intergovernmental Affairs
New Hampshire Department of Health and Human Services
Office of Medicaid Business and Policy, Legal and Policy Unit
129 Pleasant Street-Thayer Building
Concord, NH 03301

Re: Well Sense Comments on Section 1115 Premium Assistance Program Waiver

Dear Mr. Meyers:

Well Sense Health Plan appreciates the opportunity to comment on the New Hampshire Department of Health and Human Services' (DHHS) Premium Assistance Program (PAP) Section 1115 Demonstration Waiver Application (Waiver). As a Medicaid managed care organization (MCO) currently serving members in New Hampshire, Well Sense supports New Hampshire's efforts to expand and maintain healthcare coverage to individuals with incomes up to 138% of the federal poverty level (FPL). We appreciate the challenges associated with maintaining a program that aligns with the federal marketplace and support DHHS's efforts to provide coverage for this population.

As you know, Well Sense participates in New Hampshire's Medicaid program by serving as a managed care partner to the State under the Medicaid Care Management Program. We have also worked more recently with New Hampshire to launch the New Hampshire Health Protection Program, also known as the Voluntary Bridge to Marketplace Premium Assistance Program (Bridge Program). Between the Medicaid Step 1 and the Bridge Program, Well Sense currently covers over 70,000 enrollees.

Well Sense is pleased to build on these programs' success and offers the following comments on the PAP Section 1115 Demonstration Waiver.

Continuity of Coverage

Well Sense supports the emphasis in the Waiver on the importance of coverage continuity for Bridge Program individuals and families. To advance coverage continuity for members, Well Sense supports the provision within the law establishing the auto assignment of Bridge Program members to their existing MCO if that MCO is a qualified health plan (QHP) on the federal exchange unless the individual opts to select a different QHP. Well Sense agrees with this approach based on its experience that open enrollment

processes without auto assignment for these populations can result in coverage gaps as many individuals fail to choose plans and lose this coverage.

While Well Sense is immediately focused on promoting coverage continuity for members as they transition from the Bridge Program to a QHP on the federal exchange in 2016, we also encourage the State to extend subsidized coverage for current Bridge Program individuals for 2017 and beyond. In particular, Well Sense supports the State's intention to seek an extension of the Section 1115 Waiver.

Continuity of Care

Well Sense also believes that continuity of care for Bridge Program enrollees is essential. As an MCO currently serving Bridge Program members, Well Sense has developed and implemented care management strategies that help to meet the unique needs of lower income members. We have established relationships with diverse partner-providers who have the capacity and capability to meet the specific needs of our members. These providers are adept at caring for lower-income patients and likely have cared for many individuals while uninsured. Well Sense encourages the State to support MCOs in their efforts to maintain this network for members as they transition from the Bridge Program to the marketplace by supporting flexibility in network designs.

QHP Selection Support

Well Sense encourages the State to work with MCOs and other carriers to support individuals who are eligible for premium assistance as they attempt to select a QHP under the federal marketplace. For example, we believe suitable coverage options should be highlighted for this population. It may be appropriate to identify individuals eligible for premium assistance once they begin shopping at the federal marketplace or NH Easy and direct them to the appropriate actuarially valued silver plan. To the extent possible, New Hampshire should also consider selecting a sub-set of silver plans that are cost-effective and equipped with a provider network that can provide necessary services to this unique population.

Risk and the PAP Population

Well Sense urges DHHS to consider the risk profile of the PAP population, which is likely to include higher acuity patients than current marketplace enrollees due to their new insured status. While expanding the number of marketplace customers may increase plan competition and options for consumers, carriers that provide coverage must incorporate the risk of the new PAP population into their 2016 rates. As such, a process to define and identify the medically frail and exempt them from marketplace coverage should be developed. We recommend that New Hampshire have flexibility under the Waiver to define these medically frail individuals. Without this process, individuals who do not receive premium assistance on the marketplace may see premium increases.

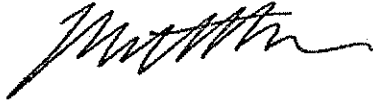
Letter to Jeffrey Meyers, Esq.

October 31, 2014

Page 3

As Well Sense continues to evaluate the opportunity to participate on the federal marketplace, it appreciates its ongoing partnership with New Hampshire in providing coverage to its citizens. We look forward to continuing this discussion. Please feel free to contact me at 617-748-6000 if you have questions or would like to discuss the issues raised here.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew", with a stylized flourish at the end.

Matthew H. Herndon

Interim Chief Legal Officer and VP of Government Affairs



1 Pillsbury Street, Suite 200 Concord, NH 03301-3570 603-225-6633 FAX 603-225-4739

Department of Health and Human Services
Office of Medicaid Business and Policy, Legal and Policy Unit
129 Pleasant Street-Thayer Building
Concord, NH 03301-3857
PAP1115Waiver@dhhs.state.nh.us

October 31, 2014

RE: Comments on the 1115 Draft Premium Assistance Waiver application

The NH Community Behavioral Health Association, representing the state's ten community mental health centers (CMHCs), wishes to submit comments on the 1115 Draft Premium Assistance Waiver application on behalf of our centers and the more than 50,000 adults and children we provide care for annually. The following are our primary concerns:

1. Proposed cost-sharing:

- The presumption is that cost-sharing increases a sense of personal responsibility. While this may be a valid proposition in many health care settings, it is a much more challenging proposition for the population we serve, namely, those with Serious Mental Illness (SMI) and Serious and Persistent Mental Illness (SPMI). Any potential cost benefits need to be balanced with the creation of a new disincentive for those who already have a hard time managing chronic conditions.
- As a general matter, the CMHCs do not collect co-pays now from Medicaid consumers. Adding the technology required for collection of co-pays from a small group of consumers will create not only a new administrative set of costs, but also will have the undesired effect of diverting dollars away from direct care. While the waiver language applies to in-patient care, and most CMHCs have limited in-patient facilities, this remains a concern for the CMHCs that will be burdened with this new requirement, such as the Mental Health Center of Greater Manchester, which operates the Cypress Center.

2. The proposed waiver of Medicaid's 24-hour prior authorization requirement for prescription drugs and replacement with a 72-hour standard:

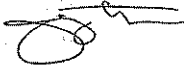
- We do not understand the rationale for this change.
- Extending prior authorization requirements for necessary medications from one day to three days creates significant problems for those with a Serious Mental Illness or a

Serious and Persistent Mental Illness, even with the allowance of a 72-hour supply "in the event of an emergency." How is an emergency defined?

- o We need to emphasize that the population we serve, in particular, find it difficult to manage their chronic conditions, to make and keep appointments, to fill and take their prescriptions, and to deal with bureaucracy. Creating another barrier means more people will fall through the cracks, will experience unnecessary setbacks in their treatment, and will find it even more difficult to become contributing members of the community.
- o We suggest that prescription drugs for those with a Serious Mental Illness or a Serious and Persistent Mental Illness be exempt from this provision.

We appreciate the hard work that has gone into the waiver application by Department staff. Thank you for the opportunity to comment.

Very truly yours,



Jay Couture, President
NH Community Behavioral Health Association

October 31, 2014

Commissioner Nicholas A. Toumpas
Office of the Commissioner
NH Department of Health & Human Services
129 Pleasant Street
Concord, NH 03301

Re: Draft Premium Assistance Program 1115 Demonstration Waiver Comment

Dear Commissioner Toumpas:

New Futures appreciates the opportunity to comment on the Draft Premium Assistance Program 1115 Demonstration Waiver to be submitted to the Centers for Medicaid Services by the NH Department of Health and Human Services.

New Futures is a nonpartisan, nonprofit organization that advocates, educates and collaborates to prevent and reduce New Hampshire substance abuse problems. New Futures envisions a State and local communities where public policies support prevention, treatments and recovery oriented efforts to reduce alcohol and other drug problems.

For the past decade, New Futures has worked diligently to ensure the citizens of New Hampshire have access to quality behavioral health services. New Futures was thrilled by the recent passage of the New Hampshire Health Protection Plan (NHHPP), which will expand access to substance use treatment to approximately 7,000 New Hampshire residents.

With the passage of the NHHPP, the NH Department of Health and Human Services (the Department) was tasked with creating a service array for the new Substance Use Disorder (SUD) benefit. The Department recommended a comprehensive and robust SUD service array, which will ensure the residents of NH have access to high quality SUD care and treatment.

Given the particular vulnerability of New Hampshire's SUD populations, the proposed Premium Assistance Program 1115 Demonstration Waiver contains some provisions which are cause for concern and threaten access to needed SUD services. With that in mind, we offer the following comments.

Cost-Sharing Payments

The primary goal of Senate Bill 413, which established the NHHPP, was to increase access to health care coverage for low-income New Hampshire residents and to encourage individuals to take personal responsibility for their health care. The type of personal responsibility SB 413 sought to encourage was more than an individual's ability to pay co-pays; it was managing chronic conditions, going to doctors' appointments, filling necessary prescriptions and seeking care when sick or injured.

While cost-sharing requirements may force an individual to financially contribute to their health care costs, it does not encourage “personal responsibility” as the NHHPP intended. Numerous studies have shown that low-income individuals are extremely sensitive to even modest increases in costs of health care. The implementation of cost-sharing deters low-income individuals from accessing needed medical care, resulting in increased emergency room visits for conditions which could have been effectively managed through a timely visit with a primary care provider.

Individuals with SUD and co-occurring mental illness are particularly sensitive to cost-sharing requirements due to the chronic nature of their conditions. Numerous individuals with SUD rely on medication assisted treatments such as methadone or suboxone to manage their disease. Requiring co-pays for such routine visits and prescription administration may threaten the recovery of some NHHPP beneficiaries who find the co-pays excessively burdensome.

Given conflict between cost-sharing and the intent of SB 413, New Futures strongly recommends the Department eliminate the cost-sharing requirement present in the Draft Premium Assistance Program 1115 Demonstration Waiver. At the very least, New Futures encourages the Department to consider lowering the percent of cost-sharing required of this population and to create an exemption from the cost-sharing requirements for drugs designed to manage chronic conditions.

Collection of Payments & Tracking

Related to the issue of cost-sharing is the proposed method for tracking beneficiary contributions. Federal law caps cost-sharing for NHHPP beneficiaries at 5% of an individual’s annual household income. It is the responsibility of the State to ensure beneficiaries are not billed in excess of this cap. The Draft Premium Assistance Program 1115 Demonstration Waiver proposes to track NHHPP beneficiaries’ out-of-pocket expenditures on a quarterly basis.

Tracking expenditures in this manner is concerning. Individuals facing expensive procedures in the first month of a given quarter could be required to pay up to, or beyond, 15% of their monthly household income in the first month alone. If a beneficiary continues to incur health care expenses for the remainder of the quarter, and his or her expenditures are not reviewed in a timely manner, the beneficiary may be required to pay an even greater amount.

While refunding beneficiaries for overpayments made within a given quarter is a start, it does not address the real hardship this method of tracking may place on low-income individuals. As stated above, low income individuals are particularly sensitive to any increased costs associated with health care. Tracking expenditures on a quarterly basis may deter individuals from accessing health care or force them to make the difficult decision between paying for basic needs and receiving medical care.

New Futures strongly recommends the Department consider reviewing out-of-pocket expenditures on a monthly basis, to reduce the potential for hardship on low-income NHHPP beneficiaries.

Waiver of Medicaid’s 3 Month Retroactive Coverage Period

Another area of concern for SUD populations is the proposed waiver of Medicaid’s three month retroactive coverage period for NHHPP beneficiaries. The proposed waiver would limit retroactive coverage to the date an application was submitted to the Department. The Department reasoned that waiving this part of Medicaid law would only affect the small number of people

who failed to sign up for coverage under the "Bridge" program because they were "difficult to reach or engage."

Traditionally, individuals with SUD or co-occurring mental illnesses are "difficult to reach or engage." These individuals may not have a permanent address or access to technology. SUD and Mental Health providers are actively working to encourage their patient populations to enroll in NHHPP, but it is a struggle. Providers have reported having multiple contacts with clients before they are able to collect sufficient information to complete an NHHPP application.

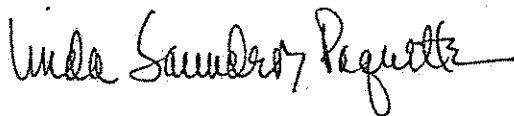
As a result, New Hampshire SUD and Mental Health providers are heavily reliant on the three month retroactive coverage period to obtain payment for services rendered to the State's SUD and mentally ill populations. Waiving this essential feature of Medicaid would threaten the continued viability of New Hampshire's SUD and Mental Health treatment providers and limit the ability of NHHPP eligible individuals to obtain needed care. New Futures therefore strongly encourages the Department to reconsider this aspect of the Draft Premium Assistance Program 1115 Demonstration Waiver.

Grievance & Appeals

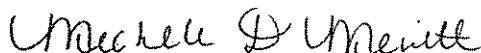
As a final note, New Futures echoes the sentiments of other advocates around the proposed grievance and appeals procedures for NHHPP beneficiaries in private Marketplace health plans. The insurance grievance and appeals process is difficult to navigate for even the most sophisticated health care consumers. NHHPP beneficiaries are particularly vulnerable to becoming lost in the complex insurance appeals system, threatening their rights as Medicaid recipients. New Futures strongly recommends the creation of an ombudsman's office to help NHHPP beneficiaries navigate the insurance appeals process and to ensure their rights under Medicaid are protected.

Thank you for the opportunity to submit these comments. New Futures looks forward to working together with the Department to ensure the successful implementation of the New Hampshire Health Protection Plan and its associated programs.

Sincerely,



Linda Saunders Paquette, Esq.
Executive Director
New Futures



Michele D. Merritt, Esq.
Policy Director
New Futures



October 31, 2014

Mr. Jeffrey A. Meyers
Director of Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street
Thayer Building
Concord, NH 03301

Dear Mr. Meyers:

I write to offer the comments of the New Hampshire Fiscal Policy Institute (NHFPI) on the Department of Health and Human Services proposed *New Hampshire Health Protection Program Premium Assistance Section 1115 Research and Demonstration Waiver* and to request that the Department respond to the following questions concerning the waiver:

- Could you please confirm that, as detailed in the Department's presentations on October 8 and October 20, 2014, no premium assistance enrollee will be required to pay either a premium or deductible for such coverage? Similarly, could you please confirm that only those enrollees with incomes between 100 and 133 percent of the federal poverty level (FPL) will be required to make copayments for certain services?
- Could you please explain how the proposed schedule of copayments, detailed in the Department's presentations on October 8 and October 20, was determined and whether such copayments were set in a manner that not only allows enrollees to access the care they need, but also will not lead to an increase total expenditures under the Health Protection Program?

As you know, a significant body of research on the effect of premiums and copayments on low-income people suggests that even modest cost sharing may increase the barriers they encounter in accessing care and prevent them from enrolling or remaining enrolled. Moreover, such research makes clear that, while cost sharing reduces utilization of health care, it does not do so in an efficient or effective way. Rather, it reduces the utilization of both essential and non-essential health care in roughly equal proportions. Finally, research on this topic suggests that higher copayments do not effectively reduce health care expenditures, as they instead lead to decreased utilization of outpatient services and concurrent increased utilization of hospital care or hospital days. In other words, those

affected by copayments rationed needed health care and such rationing ultimately resulted in more expensive health care interventions.

- Could you please detail the procedures and systems the Department will employ to ensure that enrollees will neither make aggregate copayments in excess of the federally mandated limit of 5 percent of their quarterly household income nor face copayments should their household incomes fall below 100 percent of FPL? Similarly, could you please explain the responsibilities of various parties (e.g. enrollees, medical providers, the Department) for reporting and monitoring enrollees' income levels and copayments? Finally, can you please elaborate on the remedies that will be available to enrollees should they make a copayment or copayments in excess of the 5 percent of income limit?
- Could you please explain in greater detail how the Department will evaluate the various hypotheses listed in its waiver application, particularly those that could potentially be affected by the imposition of copayments?

NHFPI greatly appreciates the opportunity to raise these questions and concerns and looks forward to working with the Department of Health and Human Services, elected officials, and other stakeholders to ensure the successful implementation of the New Hampshire Health Protection Program.

Sincerely,



Jeff McLaughlin
Executive Director



October 31, 2014

Jeffrey A. Meyers
Director, Intergovernmental Affairs
NH Department of Health and Human Services
Office of Medicaid Business and Policy, Legal and Policy Unit
129 Pleasant Street-Thayer Building
Concord, NH 03301-3857

Dear Mr. Meyers:

On behalf of the New Hampshire Hospital Association (NHHA) and our member hospitals, I am pleased to submit this comment letter in support of the Section 1115 Research and Demonstration Waiver to implement the Premium Assistance Program that was established by the New Hampshire Health Protection Plan.

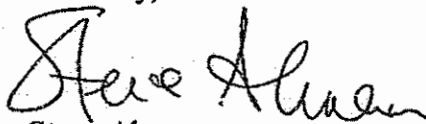
New Hampshire's hospitals are proud supporters of the New Hampshire Health Protection Plan to extend private health insurance coverage to more low-income, uninsured residents in New Hampshire and advocated vigorously for its adoption earlier this year. Hospitals see first-hand the challenges of caring for people who have no insurance. Without insurance and access to primary, preventive and ongoing chronic care management, these uninsured patients end up in a crisis and turn to their local hospital emergency room for care. Our hospitals proudly serve all of their patients without regard to their ability to pay, but we should be working to ensure patients get the right care, at the right time and in the right setting. Statewide, hospitals provided more than \$425 million in uncompensated care (valued at actual cost).

The Section 1115 Research and Demonstration Waiver to implement the Premium Assistance Program (PAP) that was established by the New Hampshire Health Protection Plan (NHHP) seeks to build on models approved by the federal Centers for Medicare and Medicaid Services (CMS) in other parts of the country by allowing states to use federal Medicaid funds to purchase qualified health plans (QHPs) on the Marketplace in New Hampshire for those individuals with incomes below 138% of the federal poverty level (FPL). This builds on the other provisions of the NHHP to provide coverage for these individuals below 138% of the FPL through the mandatory Health Insurance Premium Payment (HIP) Program for those with cost-effective employer sponsored insurance, and the Bridge Program that will offer coverage through New Hampshire's existing managed care plans pending the approval of the PAP. As of today, these first two programs are covering over 20,000 individuals in New Hampshire who would otherwise have no access to health insurance coverage

New Hampshire's hospitals strongly support efforts to make the health care system better for our patients, who deserve to receive the right care, at the right place, at the right time, every time. Expanding private health insurance coverage is a major step forward for patients, families, providers, businesses and our state's economy. New Hampshire's Section 1115 Research and Demonstration Waiver Application puts us squarely on this path and we look forward to working with you and your colleagues to implement the PAP.

Thank you for the opportunity to share these comments with you.

Sincerely,

A handwritten signature in cursive script that reads "Steve Ahnen". The signature is written in dark ink and is positioned to the right of the typed name.

Steve Ahnen
President



2 Wall Street | Manchester, NH 03101
www.heart.org

October 31, 2014

Jeffrey A. Meyers
Director, Intergovernmental Affairs
NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-3857

Re: New Hampshire Health Protection Program
Draft Premium Assistance Section 1115 Demonstration Waiver Application

Dear Mr. Myers:

The American Heart Association appreciates the opportunity to submit questions regarding the draft Section 1115 Waiver application, and looks forward to the NH Department of Health and Human Services (DHHS) response.

In order to promote personal responsibility, enrollees are expected to participate in "mandatory wellness programs" as part of their healthcare. How will the DHHS detail the wellness programs to be mandated and to ensure they are of a comprehensive, evidence-based program? How will participation be measured, ensuring there are no penalties for not meeting certain health metrics? Will there be alternative means of participating in a wellness program, to increase enrollees' compliance in participating?

Will the DHHS detail the 'Other Medical Professionals' listed within the Cost Sharing Plan as requiring an \$8.00 copay?

How will the DHHS and/or NH Insurance Department ensure there is an adequate network of healthcare providers for enrollees available in the "network of their QHP"?

Thank you for the opportunity to submit questions and provide comment on the DHHS draft premium assistance Section 1115 Medicaid Waiver. The American Heart Association advocates for affordable, accessible healthcare for all people at risk for, or suffering from, cardiovascular diseases. Should you need clarification I may be reached at 603-518-1555.

Sincerely,

Nancy Vaughan
Government Relations Director – New Hampshire

"Building healthier lives,
free of cardiovascular
diseases and stroke."

life is why™ es por la vida™ 全为生命™

Please remember the American Heart Association in your will.



Jeffrey A. Meyers, Director
Intergovernmental Affairs
New Hampshire Department of Health and Human Services
129 Pleasant Street, Thayer Building
Concord, NH 03301-3857

October 31, 2014
Via email

Re: New Hampshire Health Protection Program
Premium Assistance Section 1115 Research and Demonstration Waiver

Dear Mr. Meyers:

Anthem Health Plans of New Hampshire ("Anthem") appreciates the opportunity to provide comment on the NH Premium Assistance Section 1115 Research and Demonstration Waiver released on October 1, 2014. We are committed to being a valued health partner to the state and to delivering quality products and services to NH citizens and we look forward to continued discussions with the state as health reform efforts continue.

Overview: It is our hope that the comments below represent thoughtful considerations for the state as the Medicaid Premium Assistance program evolves. Timely decision making, program and process clarity, and access to critical data are key elements in ensuring issuer participation and readiness. Anthem has summarized our comments into seven main categories.

Recommendations and considerations are based on a comprehensive review of the NH waiver document, our current experience offering QHP coverage through NH's marketplace, and our understanding of similar premium assistance programs across the country – programs that are either in place or planned.

Timing is critical: The premium assistance program is slated to be offered through the NH exchange for coverage year 2016. In order to offer new products by the 2016 open enrollment period, carriers will be required to develop QHP plans and rates in the first quarter of 2015 and file QHP plans and premiums in the second quarter of 2015, with certification occurring soon after. Additionally, carriers will need to implement IT system changes to add capabilities needed to participate in the program, such as the processing of enrollment transactions and financial payments from the Medicaid agency. Thus, the following items need to be finalized by December 31 of this year:

- Product parameters (i.e. plan design for the plans with eliminated and lower cost-sharing) and understanding of how the individual market risk pool will be impacted with the newly added population;

- Financial and payment parameters for premium payment and cost-sharing reductions that will be applied for the Medicaid premium assistance population;
- Access to Medicaid claims utilization data for 2014 for the expansion population to help determine cost impact to the individual market;
- Modifications to the QHP certification process to reflect the additional plan variations for the Medicaid population;
- Detailed understanding of the readiness tasks (e.g. for IT/systems) for program elements such as enrollment and financial transactions from the Medicaid agency;
- A close to final draft of the 3-way contract that would need to be in place between the issuer, Medicaid agency, and federal exchange.

Should this information be delayed and a January 1, 2016 implementation date not be achievable, the program would need to be delayed at least until January 1, 2017 due to the fact that contracts and rates for exchange coverage are fixed for the entire calendar year.

Approach to administering QHP plan variations for Medicaid beneficiaries should mirror existing process for individual market consumers eligible for cost-sharing reductions (CSRs):

In order for QHP issuers to reduce or eliminate cost-sharing for Medicaid beneficiaries enrolling in QHPs, issuers must be able to load additional QHP plan variations in their systems beyond what exist today for the CSR-eligible population. Such a process is the only clean way to ensure Medicaid beneficiaries experience the lower/eliminated cost-sharing to which they are entitled. This is the same way issuers currently administer CSRs for the individual market population, and it is critical to build on this process and avoid unnecessary complexity. Enrollment in the new plan variations would be treated as an eligibility issue for the 0-138% FPL in the same way enrollment into CSR plans is treated as an eligibility issue for the 100-250% FPL population today.

Financial terms of covering Medicaid beneficiaries in QHPs: Carriers considering participation in the Medicaid Premium Assistance program require further clarity regarding how rates in the individual market will be adjusted with the addition of the Medicaid population and budget neutrality requirements, and also how cost-sharing reductions will be calculated. Specifically, the following must be considered:

- **Risk pool adjustments:** Issuers will need data for Medicaid beneficiaries and must be allowed to make appropriate adjustments to the individual market risk pool that will include Medicaid beneficiaries.
- **Induced utilization:** Just having the Medicaid agency pay premiums and cost-sharing in existing contracts will not be sufficient to cover costs due to the concept of "induced utilization" where utilization increases when cost-sharing is reduced. Thus, the "cost-sharing reductions" paid by the Medicaid agency must reflect that additional dynamic. Including "induced utilization" is consistent with how the federal government administers such reductions for the standard exchange population.

As noted above, to fully understand the dynamics of the expansion population and to incorporate that dynamic into rates, complete Medicaid data would be needed from the Medicaid agency by December 31 of this year.

Carrier Participation: Offering of Medicaid Premium Assistance QHPs should be voluntary for commercial QHP carriers. Such would ensure all parties are ready to serve the low-income population.

Certification process: Clarity is needed regarding the 3-way contracting requirements and process between the issuer, Medicaid Agency, and the exchange.

Transparency around "budget neutrality" and shared responsibility: A key consideration for the state and all stakeholders will be how the state achieves "budget neutrality" in the context of the Medicaid waiver, given provider rates for Commercial products are typically higher than Medicaid. We ask that this critical part of the discussion be transparent with all stakeholders.

Administration of additional Medicaid benefits: Clarity is needed regarding the services that will continue to be covered by Medicaid (e.g. Non-emergency transportation, EPSDT, adult vision) on a fee-for-service basis through the Medicaid agency. Carriers need to understand the customer service process and appeals process for the benefits that are not administered as part of the QHP.

Thank you for this opportunity to offer our comments as the state moves forward with its efforts to establish the New Hampshire Health Protection Program, and specifically the Medicaid Premium Assistance Program. We look forward to working with the state as the specific elements of the program are refined. Should you have any questions or wish to discuss our comments further, please contact Sherri Panaro, Director Change Management; 603-541-2114; sherri.panaro@wellpoint.com.

Sincerely,



Sherri Panaro
Director, Change Management
Anthem Blue Cross Blue Shield



October 31, 2014

Via Electronic Submission

Jeffrey A. Meyers, Esq.
Director of Intergovernmental Affairs
NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-3587
E-Mail: PAP1115Waiver@dhhs.state.nh.us

Re: NH Health Protection Program – Comments on Draft Premium Assistance Section 1115 Demonstration Waiver Application

Dear Mr. Meyers:

NH Voices for Health (VOICES) is pleased to submit these Comments concerning the draft Premium Assistance Section 1115 Demonstration Waiver Application. We respectfully request that you consider this formal input alongside and in addition to the Questions that we submitted to you on October 20, 2014.

VOICES is a non-partisan, statewide network of organizations and individuals allied in the commitment to quality affordable health care and coverage for residents of New Hampshire, and representing more than 380,000 members and constituents across the Granite State.

We thank the NH Department of Health and Human Services (DHHS / Department) and the NH Insurance Department (NHID) for your diligent and successful efforts to implement expanded Medicaid via the NH Health Protection Program (NHHPP).

With more than 21,000 New Hampshire residents already enrolled in the NHHPP since August 15, this expansion of health coverage is a pragmatic and sensible step toward:

- Access to essential health services for hardworking, lower-income Granite Staters;
- Reductions in uncompensated care for health care providers;
- Reduced burden on a business community that, with health care cost-shifting, has been faced with rising health coverage expenses; and, as a result,
- A healthier workforce, fortified health system, and strengthened state economy.

We have a handful of concerns and suggestions for your consideration regarding the proposed Premium Assistance Program (PAP) Waiver for the NH Health Protection Program.

1. *Cost Sharing Plan.*

We thank the Department for proposing a plan that will exempt PAP enrollees with incomes below 100% of the Federal Poverty Level (FPL) from cost-sharing. However, we are concerned about the proposed cost-sharing / copay framework for persons with incomes at 100% to 138% of FPL.

There is a rich body of research demonstrating that copays, even in relatively small amounts, discourage lower-income people from accessing the health care they need.¹ The proposed Premium Assistance Program copays risk significant financial strain for persons who have little, if any, disposable income to spend on health services.

Studies raise additional concerns for low-income individuals with chronic conditions or other significant health care needs.² Small and moderate copays add up quickly when multiple medications, specialists and/or intensive care are needed.³ Due to cost-sharing, populations with otherwise manageable chronic illnesses are more likely to delay or avoid necessary care, with findings that indicate negative effects on health outcomes.⁴

While we understand that the copays proposed by the draft Waiver are within the rubric of what is permitted by federal Medicaid law – weighing the potential risk of enhanced barriers to access, increased unmet needs, and worsened health outcomes – we encourage DHHS and NHID to explore available avenues for reducing or eliminating them.

2. Proposed Waiver of Medicaid's 90-Day Retroactive Coverage Requirement.

The draft Waiver application proposes that PAP coverage begin on the enrollee's date of application (or on January 1, 2016, whichever is later). We remain concerned that 'date of application' is a term that is undefined in the draft Waiver request.

In any event, it is sound public policy to ensure that NHHPP Premium Assistance Program enrollees retain this important retroactive protection. The retroactive coverage period in Medicaid law avoids unnecessary medical debt, reduces uncompensated care costs, and alleviates financial burden on patients as well as providers.

Retroactive coverage also serves as an incentive for provider participation in the NHHPP, helping to ensure sufficient provider engagement for required network adequacy and patients' timely access to care.

3. Proposed Waiver of Medicaid's 24-Hour Prior Authorization Requirement for Prescription Drugs.

For PAP enrollees, the draft Waiver application proposes to replace Medicaid's 24-hour prior authorization requirement for prescription drugs with a 72-hour prior authorization standard. The draft application also indicates that 'a 72-hour supply of the requested medication will be provided in the event of an emergency'. We remain very concerned that the draft application does not define 'emergency' in this context.

In New Hampshire's Medicaid Care Management Program, prior authorization has been an acknowledged and ongoing trouble spot.

¹ "Premiums and Cost-Sharing in Medicaid: A Review of Research Findings." Kaiser Commission on Medicaid and the Uninsured, February 2013.

² Newhouse, Joseph P. and the Insurance Experiment Group. *Free For All? Lessons from the RAND Health Insurance Experiment*. RAND, 1993.

³ LeCouteur, Gene et al. "The Impact of Medicaid Reductions in Oregon: Focus Group Insights". Kaiser Commission on Medicaid and the Uninsured, 2004.

⁴ Tamblin R, et al. "Adverse Events Associated With Prescription Drug Cost-Sharing Among Poor and Elderly Persons." *Journal of the American Medical Association*. Vol. 285(4), Jan 2001.

In this instance, for PAP patients who may experience a significant health care need or needs at a given time, we are concerned that a 72-hour prior authorization period can spell hazard for patient health.

As a result, and until there is some workable and effective definition of 'emergency' in this context, we have no choice but to oppose this proposed Waiver provision.

4. *QHP Health Care Provider Network Adequacy and MCO QHP Auto-Assignment.*

In light of New Hampshire's first-year Marketplace experience of Anthem's limited health care provider network, we are concerned about how DHHS and NHID will ensure that certified QHPs (qualified health plans) provide Premium Assistance Program enrollees with access to care that is comparable to the access available to the general population in the enrollee's geographic area, as required by federal Medicaid laws⁵.

We generally support and appreciate the QHP auto-assignment provisions in the draft Waiver application, and we are grateful for the provision that provides PAP enrollees who have been auto-assigned to a QHP with sixty (60) days to select a different QHP, if desired.

However, from an enrollee and provider network adequacy perspective, we are concerned about an unforeseen consequence of auto-assignment as it relates to New Hampshire's Medicaid managed care organizations (MCOs).

The NHHPP authorizing statute and draft Waiver application provide that when a person is determined to be PAP eligible and is a Bridge Program enrollee, if his or her MCO is offering a certified QHP, the enrollee will be auto-assigned to the QHP offered by his or her MCO.

We understand and appreciate that the intention of this provision is to ensure that individuals currently enrolled in the Bridge Program do not experience a gap in coverage and care, but the reality is that MCO QHP auto-assignment could have the opposite effect.

Because the network adequacy standards for private insurance and the Marketplace are different than they are for Medicaid, and because the economics of private market provider networks are different than they are for Medicaid, either or both of the MCOs may offer certified QHPs with health care provider networks that are more limited than their Medicaid managed care networks.

For example, if one or both MCOs offer certified QHPs with health care provider networks that resemble Anthem's current Marketplace network, there is genuine risk that Bridge Program enrollees could be auto-enrolled in an MCO-offered QHP that does not include their health care provider/s at all.

To address this concern, VOICES has two alternative recommendations. We suggest that the Waiver require either:

- That, in order for a Medicaid Bridge Program enrollee to be auto-assigned to the QHP offered by their MCO, the MCO-offered QHP *must* have a health care provider network serving the enrollee's geographic area; or

⁵ 42 U.S.C. § 1396a(a)(30)(A)

- That the notice of auto-assignment be provided to Bridge Program enrollees at least sixty (60) days in advance of January 1, 2016 so that, in the event of provider network folly, the enrollee will have sixty (60) days to select and enroll in a different certified QHP for PAP coverage that begins on January 1, 2016.

5. *Waiver Timeline.*

We respect and appreciate that the NH Health Protection Program is scheduled to sunset at the end of calendar year 2016 unless it is extended / reauthorized by the Legislature and Governor. As a result, the draft application proposes a one-year timeline for the Waiver.

We suggest that it would be more sensible and pragmatic to propose a 3-year Waiver timeframe, with a simple and straightforward circuit-breaker provision expressing that the Waiver will end in the event that the NHHPP is not reauthorized by legislative enactment.

There are three reasons for this suggestion: government efficiency; budget neutrality; and proof of the Waiver hypotheses.

First, in the event that the NH Health Protection Program is reauthorized, and with only a one-year Waiver, the Department would be required to expend the time, energy, and effort needed to pursue and secure a Section 1115 Waiver renewal with CMS. Given the availability of an alternative and workable circuit-breaker provision, at a time when government efficiency and cost-effectiveness are paramount, requiring such effort would not appear to be the most prudent option.

Second, since there are and will be start-up costs associated with getting a successful Premium Assistance Program off the ground in the first year, a one-year Waiver appears less likely to achieve the 'budget neutrality' required by federal law than a three-year Waiver, which can and would propose to spread the Program's costs and savings out over time.

And third, one year appears likely to be an insufficient time period to gather the needed and comprehensive data required to prove the proposed Waiver's thoughtful and well-crafted Demonstration hypotheses for the Premium Assistance Program.

We thank the Department and NHID for the opportunity to submit these Comments on the draft Section 1115 Waiver Application. We look forward to working together to ensure the successful implementation of the Premium Assistance Program and the continued success of the NH Health Protection Program. If you have any questions, please do not hesitate to contact me at 603.491.1924 or Tom@NHVoicesforHealth.org.

Sincerely,



Thomas G. Bunnell, Esq.
Policy Consultant

**Responses to Comments on New Hampshire Premium Assistance Program Waiver
November 7, 2014**

Cost-Sharing & Wellness

Comment 1: Several commenters expressed concerns that imposing cost-sharing on individuals with incomes from 100%-133% of the federal poverty level (FPL) will discourage individuals from receiving appropriate care. These commenters noted that even relatively low levels of cost-sharing can act as a barrier to care for low-income beneficiaries.

Response 1: The State is sensitive to the concern that cost-sharing may impose barriers to receiving care, and the State has taken steps to mitigate that risk. First, the State is proposing to impose cost-sharing only on individuals with incomes at and above 100% FPL. Additionally, the State will ensure, consistent with federal Medicaid requirements, that cost-sharing is no higher than 5% of quarterly income. Finally, the State has elected to impose only co-payments, and the State is not requesting authority to impose premiums, co-insurance, or deductibles.

Comment 2: Several commenters stated that imposing cost-sharing would increase the burden of uncompensated care on federally qualified health centers (FQHCs), since FQHCs are not permitted to deny services for failure to pay.

Response 2: The State recognizes that some individuals may seek care from FQHCs specifically because FQHCs are not permitted to deny services to individuals who are unable to make co-payments. The State encourages FQHCs to track whether a significant number of individuals enrolled in the New Hampshire Health Protection Program (NHHPP) fail to make co-payments.

Comment 3: Several commenters encouraged the State to use other mechanisms, such as wellness programs, to promote personal responsibility among NHHPP enrollees.

Response 3: Consistent with SB 413, the State intends to provide wellness programs in addition to—not in lieu of—cost-sharing to promote personal responsibility.

Comment 4: Several commenters requested clarification on how the State will track whether an individual has reached the quarterly cost-sharing cap. Several commenters also asked how the State will address fluctuations in an individual's income. Finally, one commenter asked how the State will administer a refund.

Response 4: The State is in the process of developing an approach to monitor the cost-sharing cap, but the State intends to make the process as streamlined as possible. To simplify administration and address income fluctuations, the State intends to set a fixed cap for all individuals subject to cost-sharing at 5% quarterly income for someone at or above 100% FPL. In other words, an individual with an income of 106% FPL or 126% FPL would be subject to the same cap. As a result, the fluctuations in income between 100% and 133% will have no impact on the quarterly cap. In the event that an individual reaches the cap, the State will provide a refund of any co-payments above the cap and will ensure that the beneficiary is not required to

pay any additional cost-sharing for the remainder of the quarter. The State continues to develop the process for providing the refund.

If an individual's income falls below 100% FPL, the individual will be transitioned to a plan without cost-sharing, effective at the beginning of the next coverage month after the individual notifies the State of the change in income.

Comment 5: A few commenters suggested that the State use a monthly, rather than quarterly, cost-sharing cap.

Response 5: The State has elected to impose a quarterly cap, rather than a monthly cap, to streamline administration of the cap. Given the low levels of cost-sharing imposed, the State anticipates that very few individuals will reach the cost-sharing cap in a quarter.

Comment 6: One commenter requested clarification on what constitutes an "other medical professional" and what would be defined as "imaging" under the proposed cost-sharing design.

Response 6: "Other medical professional" includes providers who are neither primary care providers nor specialty physicians, such as physical therapists. Imaging, which is subject to a copay, would include MRIs, CAT scans, and PET scans; X-rays and ultrasound would be included in the Radiology category under the proposed cost-sharing design, and would not be subject to a copay.

Comment 7: One commenter requested clarification that family planning services would not be subject to cost-sharing.

Response 7: Family planning services will not be subject to cost-sharing, since Qualified Health Plans (QHPs) are not permitted to impose cost-sharing on preventive services, including family planning services.

Comment 8: One commenter requested that the State create a list of drugs for chronic conditions that must be exempt from all cost-sharing.

Response 8: The State is purchasing QHPs that are offered on the Marketplace. Currently, QHPs are not required by state law to exempt drugs for chronic conditions from cost-sharing, and thus drugs for chronic conditions will be subject to cost-sharing. Additionally, the proposed cost-sharing amounts of \$2 and \$6 for generic and brand drugs, respectively, are below the amounts permitted under federal Medicaid law.

Comment 9: Commenters asked what type of cost sharing would apply to home care services and to substance use disorder residential services.

Response 9: Home health aide services will be available without cost-sharing. If an individual receives services from a professional in the "other professional" category at home, such as at

home physical therapy, the other professional cost-sharing amount would apply. The Department of Health and Human Services and the New Hampshire Insurance Department will determine whether and to what extent substance use disorder residential services will be subject to cost-sharing, consistent with federal requirements.

Comment 10: One commenter asked for clarification about how participation in wellness programs will be operationalized.

Response 10: The Department of Health and Human Services will work with the Centers for Medicare and Medicaid Services and carriers to determine the details of the wellness programs to be offered as a component of the Premium Assistance Program.

Appeals

Comment 11: Several commenters expressed concerns that individuals will not have access to the Medicaid fair hearing process for appeals involving benefits covered by the QHP.

Response 11: Although NHHPP enrollees will use the QHP appeals process, rather than the Medicaid fair hearing process, to appeal denials of coverage for benefits covered by the QHP, NHHPP enrollees will receive the full set of Medicaid-required protections throughout the appeals process. For example, NHHPP enrollees will have the ability to testify in person during the external review and NHHPP will have the protections of aid continuing.

Comment 12: Several commenters expressed concerns that there will be two separate appeals processes depending on whether the benefit is covered by the QHP or by fee-for-service Medicaid. Some commenters suggested that the State appoint an ombudsman to assist individuals in navigating through the appeals process.

Response 12: Nearly all benefits will be covered by the QHP, and thus will be appealed using the QHP process. Any benefits covered through fee-for-service Medicaid will be appealed using the Medicaid fair hearing process. The State will work closely with staff at both the Medicaid and QHP carrier call centers to ensure that all beneficiaries are directed to the correct location to make their appeal. Additionally, New Hampshire Insurance Department (NHID) consumer services personnel will be available to assist NHHPP enrollees with their QHP appeals.

Comment 13: One commenter requested clarification for what constitutes an urgent appeal, thereby qualifying for expedited review.

Response 13: Under New Hampshire statute, urgent appeals are defined as those in which the patient's life or health, or the patient's ability to regain maximum function, would be seriously jeopardized if treatment/care is not received, or a claim concerning an admission or continued stay where a person received emergency services, but has not been discharged.

Comment 14: One commenter requested clarification of whether the standard Medicaid fair hearing process would apply to appeals related to eligibility determinations, or to whether an

applicant is exempt from QHP premium assistance because of their status as medically frail, duly eligible, or pregnant.

Response 14: Individuals will have access to the Medicaid fair hearing process for all appeals related to Medicaid eligibility. The Medicaid fair hearing process will not be available for determinations of whether an individual is exempt from QHP premium assistance because the individual is a dual eligible or has indicated that she is pregnant, since such individuals are eligible for Medicaid coverage through the standard Medicaid program. Additionally, medically frail status is based on self-attestation, not a determination by DHHS, so an appeal will not be necessary for a medical frailty identification. The decision to identify as medically frail lies solely with the applicant.

Comment 15: One commenter asked whether the State will collect data on the success rate of internal appeals and external reviews filed by NHHPP enrollees covered through QHP premium assistance.

Response 15: The State will consider including this in its evaluation design.

Comment 16: One commenter asked for statistics related to the percentage of internal and external appeals under the state managed care statute that result in claim denials being reversed. The Commenter also asked for the percentage of Medicaid claim denials that result in being reversed.

Response 16: The New Hampshire Insurance Department does not presently collect data on appeals subject to internal review. The most recent annual report regarding appeals subject to external review can be found here:

http://www.nh.gov/insurance/aboutus/annualreport/documents/162nd_ann_rpt.pdf.

With respect to Medicaid appeals during SFY 11-SFY 14, among cases in which a decision was issued, 63 percent were upheld and 27 percent were reversed.

Comment 17: One Commenter asked what agency the New Hampshire Insurance Department designates to oversee the external review process.

Response 17: The NH Insurance Department is required by law to certify independent external review organizations to review external appeals. More Information relating to the external review process and certification of external review organizations can be found here:

<http://www.nh.gov/insurance/consumers/appeals.htm>.

Plan Selection, Auto-Assignment & Health Literacy

Comment 18: A few commenters emphasized the importance of NHHPP enrollees having access to information about the QHPs' network during the plan selection process. Some commenters suggested that QHP carriers be required to submit the network in a standardized format.

Response 18: The State agrees that it is critically important to provide individuals with sufficient information about the QHPs and their networks during the plan selection process. New Hampshire insurance carriers are required by law to provide access to information on networks and formularies in an easy-to-use format, and the NHID is committed to enforcing these requirements.

Comment 19: A few commenters requested clarification regarding how the state will ensure that NHHPP program communications will be appropriate with respect to the reading level and health literacy of enrollees.

Response 19: The State agrees that it is important to provide individuals with accessible information and will use standard, internal processes to ensure that communications to enrollees are presented at an appropriate and accessible level. In addition, New Hampshire insurance law imposes requirements on insurance carriers with respect to reading level and clarity; these requirements are applicable to carriers offering QHPs and are subject to enforcement by the NHID.

Comment 20: Several commenters expressed concerns that auto-assignment to a plan may disrupt existing provider relationships.

Response 20: The State will attempt to avoid disrupting existing provider relationships during the auto-assignment process. Since enrollees affirmatively selecting plans is the best way to maintain existing provider relationships, the State will also educate NHHPP enrollees about the importance of selecting a plan during the plan selection process. Additionally, NHHPP enrollees will be able to change plans after auto-assignment, further enabling them to maintain existing provider relationships.

Comment 21: One commenter requested clarification about family affiliation being a factor in the auto-assignment process.

Response 21: New Hampshire intends to keep families in the same plans, to the extent possible. If one individual in a household has selected a particular QHP and the other fails to do so, New Hampshire will endeavor to auto-assign the individual to the QHP selected by their family member.

Comment 22: Commenters differed on whether they supported or opposed the State's proposal, as required by SB 413, to auto-assign individuals enrolled in an MCO to the QHP offered by their MCO. Some commenters were concerned that the QHP offered by the MCO may not have an adequate network in their area.

Response 22: SB 413 requires that individuals enrolled in an MCO be auto-assigned to the QHP offered by their MCO, if one is offered. The Department of Health and Human Services has interpreted this provision as requiring that individuals be auto-assigned to the QHP offered by

their MCO, if that QHP is offered in the individual's region. The State will not auto-assign an individual to a QHP unless that QHP is approved to be offered in the individual's county.

Comment 23: One commenter suggested that NHHPP enrollees be limited to enrolling in cost-effective plans.

Response 23: Consistent with the requirements of SB 413, NHHPP enrollees will be permitted to enroll only in plans that are cost-effective.

Medically Frail

Comment 24: One commenter asked whether individuals who are medically frail will be subject to cost-sharing.

Response 24: Yes, medically frail individuals with incomes at and above 100% FPL will be subject to cost-sharing. Under federal Medicaid rules, cost-sharing that is targeted to individuals with incomes at and above 100% FPL must apply to all individuals in an eligibility category with incomes at and above 100% FPL.

Comment 25: Several commenters requested additional details on what constitutes being "medically frail," and how the State will assess whether an individual is medically frail, and whether an individual could temporarily identify themselves as medically frail.

Response 25: The term "medically frail" is defined in federal regulations as "individuals described in [42 C.F.R.] § 438.50(d)(3) . . . , children with serious emotional disturbances, individuals with disabling mental disorders, individuals with serious and complex medical conditions, and individuals with physical and/or mental disabilities that significantly impair their ability to perform one or more activities of daily living." See 42 C.F.R. § 440.315(f). The State will continue to use the same process that it currently uses to allow individuals to self-identify as medically frail. Specifically, the State will continue to rely on an individual's response to a question on the individual's application that asks about the need for assistance with activities of daily living. It is up to an individual to determine whether they are or are not medically frail; depending on facts and circumstances, a person could alter their status as medically frail.

Waiver Timing

Comment 26: Several commenters suggested that the State should request a three-year waiver, rather than a one-year waiver.

Response 26: SB 413 authorizes the NHHPP through 2016. The State indicates in its application that, should the legislature reauthorize the program, the State would seek an extension of the waiver.

Network Adequacy

Comment 27: Several commenters expressed concerns about whether the QHP networks would be adequate and suggested that the State continuously monitor the networks for adequacy.

Response 27: All QHP networks are subject to prior review under state and federal network adequacy standards as part of the QHP certification process. These standards require that all covered persons have access to a network of primary care, specialist and institutional providers that is sufficient in number, type and geographic location to ensure that all covered health care services are available to covered persons without unreasonable delay. Insurance carriers are responsible for maintaining adequate networks on an ongoing basis, a requirement that is enforced by the NHID. The State will ensure that the QHP networks meet the requirements of Social Security Act § 1902(a)(30)(A). As part of the State's evaluation, it will also assess whether individuals had sufficient access to care.

Comment 28: One commenter suggested that the State clarify whether individuals will be able to request a referral to an out-of-network provider if the QHP's network does not include a provider with adequate training and experience. The commenter also suggested that individuals should not incur any greater cost-sharing than if the provider had been in network.

Response 28: Under the private market network adequacy standards, if a health carrier's network is insufficient with respect to a particular service in a county where the plan is offered, the carrier must cover services provided by a non-participating provider at no greater cost to the covered person than if the services were obtained from a participating provider.

Retroactive Coverage & Presumptive Eligibility

Comment 29: Several commenters expressed concerns that the State's proposal to provide coverage effective as of the date of application would have a significant negative effect on vulnerable enrollees, such as those with serious mental illness.

Response 29: The State expects that not providing coverage prior to the date of application will affect very few beneficiaries. The State believes that the benefits of administrative simplification outweigh the potential negative impact. Further, the State will engage in widespread outreach efforts to encourage individuals to enroll in coverage.

Comment 30: One commenter asked what constitutes the date of application for the purposes of determining the coverage start date.

Response 30: The date of application is the date on which the individual submits the signed application, even if the application is missing some information or the individual has not yet submitted supporting documentation.

Comment 31: One commenter suggested that the State continue its program for presumptive eligibility.

Response 31: The State intends to continue the presumptive eligibility program in its current form.

Freedom of Choice for Family Planning & Access to Services

Comment 32: One commenter requested assurance that individuals will be able to access any family planning providers that participate in Medicaid, even if the provider is not in the network of the enrollee's QHP.

Response 32: Individuals will be able to receive services from any family planning providers that participate in Medicaid. If the provider is not in the network of the enrollee's QHP, then Medicaid will reimburse the provider directly.

Comment 33: One commenter requested that women be permitted to access obstetricians and gynecologists without a referral.

Response 33: Both federal and state law require that all non-grandfathered individual market plans, which would include all QHPs, offer access to obstetricians and gynecologists without a referral.

Evaluation

Comment 34: One commenter requested additional details on the State's evaluation plan.

Response 34: The State's proposed approach to evaluation is described on pages 4 and 5 of the draft waiver application. In the draft application, the State outlines its proposed evaluation questions, hypotheses, and data sources, as well as the waiver component being addressed by each hypothesis. The State will continue to engage with the Centers for Medicare and Medicaid Services to further define the details related to the evaluation plan.

Prescription Drugs

Comment 35: Several commenters requested clarification on the State's reasoning related to requesting a waiver of the requirement to respond to requests for prior authorization for prescription drugs within 24 hours.

Response 35: Under the NHHPP, the State is purchasing QHPs that are offered on the Marketplace, and the State is endeavoring to align Medicaid and QHP requirements to the extent possible. QHPs are not required to respond to requests for prior authorization for prescription drugs within 24 hours, but QHPs are required to cover a 72-hour emergency supply. Since NHHPP enrollees will be able to have immediate access to a needed drug, the State believes that responding to requests for prior authorization within 24 hours will provide little, if any, protection to NHHPP enrollees.

Comment 36: Several commenters also requested additional clarification on when pharmacists may dispense (and plans must cover) a 72-hour supply and who determines whether a 72-hour supply is appropriate

Response 36: Under New Hampshire law, pharmacists may dispense a 72-hour supply (and plans will cover the costs of such supply) if the drug requires prior authorization, prior

authorization has neither been approved nor denied, and the medication is determined by the pharmacist to be essential to the maintenance of life or to the continuation of therapy in a chronic condition, or the interruption of therapy might reasonably produce undesirable health consequences or may cause physical or mental discomfort. See RSA 318:47-i.

Comment 37: Several commenters asked whether providers would be able to use drugs purchased through the 340B program for NHHPP enrollees.

Response 37: NHHPP enrollees are covered by Medicaid, and providers should treat the NHHPP enrollees like other Medicaid beneficiaries for the purposes of the 340B program.

Comment 38: One commenter requested that the 24-hour prior authorization requirement remain in place for individuals with serious mental illness or serious and persistent mental illness.

Response 38 Although the State recognizes the unique challenges facing individuals with mental illness, the State does not intend to create specific exemptions from the waiver requirements for individuals enrolled in QHP coverage through the NHHPP. Since NHHPP enrollees may access a 72-hour emergency supply, the State expects that prior authorization requirements will not pose a barrier to individuals receiving timely access to prescription drugs

Comment 39: One commenter suggested that family planning drugs should not be subject to prior authorization.

Response 39: QHP carriers are permitted to establish their own prior authorization requirements, and the State does not intend to limit which drugs may be subject to prior authorization.

Comment 40: One commenter expressed concerns that some plans impose prior authorization requirements on prescription drugs, including requiring that individuals "fail first" on lower-cost drugs before receiving authorization for higher-cost drugs, and expressed concern that the interaction of prior authorization and copayments could potentially have a negative effect on enrollees

Response 40: QHP carriers are afforded flexibility to establish prior authorization requirements, and the State does not intend to limit that flexibility. The State will work with carriers to understand the cost-sharing implications of prior authorization requirements.

Pregnant Women

Comment 41: One commenter requested additional details on how pregnant women will be identified. This commenter also requested that women who are enrolled in a QHP and then become pregnant are given a choice of remaining in their QHP or being transferred to pregnancy-related Medicaid coverage.

Response 41: If a woman who is enrolled in a QHP becomes pregnant and notifies the State of her pregnancy, she will be given the choice between remaining in the QHP or being transferred to pregnancy-related Medicaid coverage. If the woman remains in the QHP, she will be transferred to a zero cost-sharing plan.

Operational Issues Related to Premium Assistance

Comment 42: One commenter raised several questions related to how the State will operationalize the premium assistance program. The commenter asked specific questions related to, among other things, how the State will effectuate cost-sharing reduction payments and whether the State will impose any additional QHP certification requirements on carriers. The commenter expressed that carriers need details related to operationalizing the NHHPP premium assistance program as soon as possible.

Response 42: The State acknowledges that carriers may need to make some adjustments to their internal processes to accommodate the NHHPP premium assistance program consistent with CMS –Medicaid approval and guidance, and the State intends to minimize the need for any such adjustments to the greatest extent possible. The State will work closely with carriers to identify potential operational challenges and select the simplest solution. The State will endeavor to provide additional operational information as soon as possible, and the State will ensure that carriers are updated regularly on the State's progress.

Comment 43: One commenter requested that participation in the NHHPP premium assistance program be voluntary for carriers.

Response 43: Carriers are required by state and federal law to accept all individuals who apply for coverage. Carriers are not permitted to deny coverage to a class of individuals, such as Medicaid beneficiaries. For these reasons, all carriers participating in the Marketplace in New Hampshire will be required to participate in the NHHPP premium assistance program.

Budget Neutrality Form

Section 1115 Medicaid Demonstrations should be budget neutral. This means the Demonstration cannot cost the federal government more than what would have otherwise been spent absent the Demonstration. In this section, the state must provide its explanation of how the Demonstration program will achieve budget neutrality and the data to support its rationale.

New Demonstration Request: The following form provides guidance on some of the most commonly used data elements for demonstrating budget neutrality. CMS is available to provide technical assistance to individual states to identify any other elements needed to demonstrate budget neutrality for their specific request. Use the accompanying Excel Workbook to submit supporting data, following the instructions below. All expenditure totals in the Excel Workbook are total computable expenditures (both federal and state shares combined), unless indicated otherwise.

I. Without- and With-Waiver Projections for Historical Medicaid Populations

A. Recent Historical Actual or Estimated Data

Provide historic data, actual or estimated, for the last five years pertaining to the Medicaid Populations or sub-Populations (Populations broken out by cost categories) in the Demonstration program.

The "Historical Data" tab from the Table Shell contains a structured template for entering these data. There are slots for three Medicaid Populations; more slots should be added as needed. The year headers "HY 1," "HY 2," etc., should be replaced with the actual historical years.

The Medicaid Populations submitted for budget neutrality purposes should correspond to the Populations reported in Section II. If not identical, a crosswalk must be provided that relates the budget neutrality Populations to the Section II populations. Use the tables below to provide descriptions of the populations defined for budget neutrality, and the cross-walk to Section II.

States that are submitting amendments or extension requests and that wish to add new Medicaid populations can use the "Historical Data" tab to provide 5 years of historical data for the new populations.

Population/Sub-Population Name	NHHPP Bridge Program
Brief Description	Adults enrolled in the NHHPP Bridge Program as of October 2014
Relationship to Section II	N/A

Population/Sub-Population Name:	Not applicable
Brief Description	
Relationship to Section II	

Population/Sub-Population Name:	Not applicable
Brief Description	
Relationship to Section II	

Population/Sub-Population Name:	Not applicable
Brief Description	
Relationship to Section II	

Explain the sources and methodology used for the actual and/or estimated historical data. If actual data have been provided, explain the source of the data (MMIS data, other state system Medicaid data, other program data, etc.) and the program(s) and source(s) of program funding that the data represent. Indicate if the data represent all Medicaid expenditures for the population. For example, are they inclusive of long-term care expenditures? Were the expenditures reported on the CMS-64? If the data provided are a combination of actual and estimated data, provide the dates pertaining to each type of data. If any of the data are estimated, provide a detailed explanation concerning how the estimated data were developed.

B. Bridge Period

Based on the ending date of the most recent year of historic data and the proposed Demonstration implementation date, a bridge period will apply to this proposal. Estimates of Demonstration costs must be trended across this bridge period when calculating the projected first year of PMPM costs without the waiver.

In the blanks below, enter the last day of the most recent historical year, and the last day of the year immediately preceding the first Demonstration Year. The number of months between these dates is the length of the bridge period. Depending on the length of the available historical data series and data quality, each demonstration population could have its own unique bridge period.

Enter the number of months in the bridge period in the "WOW" tab of the Excel Workbook, in the grayed cell under "MONTHS OF AGING." The spreadsheet is programmed to project Demonstration Year PMPM expenditures and member month totals using historical trend rates and the length of bridge period, and assumes that the same bridge period applies to all calculations. Applicants should feel free to alter these programming features as needed.

Demonstration Bridge Period: 12/31/2015 to 12/31/2015

C. Without-Waiver Trend Rates, PMPM costs and Member Months with Justification

The WOW tab of the Excel Workbook is where the state displays its projections for what the cost of coverage for included Medicaid populations would be in the absence of the demonstration. A block of cells is provided to display the WOW estimates for each Medicaid population specified. Next to "Pop Type," the correct option should be selected to identify each group as a Medicaid population.

The workbook is programmed to project without-waiver (WOW) PMPM expenditures and member months using the most recent historical data, historical enrollment and per capita cost trends, and the length of bridge period specified. CMS policy is to use the lower of the state's historical trends and President's Budget trends to determine the WOW baseline.

Note that the workbook includes a projected Demonstration Year 0 (DY 00), which is an estimate of the last full year immediately prior to the projected demonstration start date. DY 00 is included to provide a common "jumping off point" for both WOW and with waiver (WW) projections.

D. Risk

CMS will provide technical assistance to states to establish an appropriate budget neutrality methodology for their demonstration request. Potential methodologies include:

PER CAPITA METHOD: The state will be at risk for the per capita (PMPM) cost of individuals served by the Demonstration, to the extent these costs exceed those that would have been incurred absent the Demonstration (based on data shown and to be agreed to above). The state shall be at risk to repay CMS for the federal share of any costs in excess of the "Without Demonstration" cost, based on historical data shown above, which are the sum of the estimated PMPM costs times the number of member months by Population. The state shall not be at risk for the number of member months of participation in the Demonstration, to the extent that they may increase above initial projections.

AGGREGATE METHOD: The state will be at risk for both the number of member months used under the Demonstration, as well as the per capita cost for Demonstration participants; to the extent these exceed the "without waiver" costs and member months that are agreed to based on the data provided above.

E. Historical Medicaid Populations: With-Waiver PMPM Cost and Member Month Projections

The "WW" tab of the Excel Workbook is for use by the State to enter its projected WW PMPM cost and member month projections for historical populations. In general, these can be different from the proposed without-waiver baseline. If the State's demonstration is designed to reduce

PMPM costs, the number of member months by category and year should be the same here as in the without-waiver projection. (This is the default formulation used in the Excel Workbook.)

F. Justification for With-Waiver Trend Rates, PMPM Costs and Member Months

The State must provide below a justification for the proposed with-waiver trend rate and the methodology used by the State to arrive at the proposed trend rate, estimates of PMPM costs, and number of member months.

II. Cost Projections for New Populations

This section is to report cost projections for new title XIX Populations. These could be Populations or sub-Populations that will be added to the state's Medicaid program under the Demonstration, including "Expansion Populations" that are not provided for in the Act but are created under the Demonstration.

In the table below, list all of the New Populations and explain their relationship to the eligibility groups listed in Section II.

Population Name	Brief Description	Cross-Walk to Section II
N/A		
N/A		
N/A		

Justification for New Populations' Trend Rate, PMPM and Member Month Projections

The state must provide below a justification for the proposed trend rate, estimates of PMPM costs, and number of member months for new populations, including a description of the data sources and estimation methodology used to produce the estimates. Historical data provided to support projections for new populations can be displayed in the Excel Workbook's Historic Data tab.

Some state proposals may include populations that could be made eligible through a State plan amendment, but instead will be offered coverage strictly through the Demonstration. These populations are referred to as "hypotheticals" and CMS is available to provide technical assistance to states considering whether a Demonstration population could be treated as a hypothetical population.

III. Disproportionate Share Hospital Expenditure Offset

Is the state is proposing to use a reduction in Disproportionate Share Hospital (DSH) Claims to offset Demonstration costs in the calculation of budget neutrality for the Demonstration?

Yes No

If yes, the state must provide data to demonstrate that the combination of Demonstration expenditures and the remaining DSH expenditures will not exceed the lower of the state's historical DSH spending amount or the state's DSH Allotment for each year of the Demonstration. The state may provide Adjusted DSH Claim Amounts if additional DSH claims are pending due to claims lag or other reasons.

In the DSH tab of the Excel Workbook, enter the state's DSH allotments and actual DSH spending for the five most recent Federal fiscal years in Panel 1. All figures entered should represent the federal share of DSH allotments and spending.

Provide an explanation for any Adjusted DSH Claim Amounts:

In Panel 2 of the Excel Workbook, enter projected DSH allotments for the federal fiscal years that will overlap the proposed Demonstration period, and in the following row, enter projections for what DSH spending would be in the absence of the demonstration. All figures entered should represent the federal share of DSH allotments and spending.

The Excel Workbook is set up to allow for the possibility that Demonstration Years will not coincide with federal fiscal years. If this is the case, and the Demonstration is proposed to last for five full years, then the Demonstration will be in existence for parts of six federal fiscal years. FFY 00 is the federal fiscal year during which the Demonstration is proposed to begin, and FFY 05 is the federal fiscal year that contains the Demonstration's proposed end date. CMS encourages states that use DSH diversion in their budget neutrality model to define Demonstration Years so that they align with the Federal fiscal years. (If Demonstration Years do align with Federal fiscal years, it is not necessary to populate the column for FFY 00.)

In Panel 3 of the Excel Workbook, the rows are set up to be used as follows. All amounts entered in Panel 3 are Federal share.

- State DSH Allotment: Formulas in the Excel Workbook automatically enter the same DSH allotment projects as are shown in Panel 2.
- State DSH Claim Amount: Enter the amounts that the state projects will be spent on DSH payments to hospitals for each federal fiscal year that overlaps with the proposed demonstration period.
- Maximum DSH Allotment Available for Diversion: If the state wishes to propose a dollar limit on the amount of potential DSH spending that is diverted each year, enter those amounts here. If no such limit is proposed, leave blank.
- Total DSH Allotment Diverted: The Excel Workbook is structured to populate the cells in this row from amounts entered in Panel 4. CMS's default assumption is that DSH diversion spending will align with the Federal fiscal year DSH allotments based on date of service. The Excel Workbook allocates DSH diversion spending from one or two overlapping Demonstration Years to each Federal fiscal year DSH allotment.
- DSH Allotment Available for DSH Diversion Less Amount Diverted: This row provides a check to ensure that diverted DSH spending does not exceed the Maximum DSH Allotment amount specified by the State. If no Maximum DSH Allotment, delete the formulas in this row.

- DSH Allotment Projected to be Unused: This row provides a check to ensure that the combination of diverted DSH spending plus DSH payments to hospitals does not exceed the DSH allotment each year.

Panel 4 of the Excel Workbook provides space for the state to indicate amounts of DSH diversion spending are planned for each Demonstration Year, and specify how much of that amount is to be assigned to the overlapping Federal fiscal years. DSH diversion spending is entered here as a total computable expenditures. An FMAP rate is needed for each total computable spending amount entered to enable it to be converted into a federal share equivalent that will appear in Panel 3. The amounts shown in the Total Demo Spending From Diverted DSH row automatically appear in the Summary tab in the Without Waiver panel.

Explanation of Estimates, Methodology and Data

IV. Summary of Budget Neutrality

The Excel Workbook's Summary tab shows an initial assessment of budget neutrality for the Demonstration. Formulas are included that reference cells in the WOW, WW, and DSH tabs so that projected WOW and WW expenditures for each category of expenditure appear in tabular form and can be summarized by Demonstration Year, and for the entire proposed duration of the Demonstration. The Variance shown for the entire duration of the demonstration must be non-negative.

As indicated above, spending estimates for Other WOW Categories and Other WW Categories should be entered directly into the Summary tab where indicated.

V. Additional Information to Demonstrate Budget Neutrality

Provide any additional information the State believes is necessary for CMS to complete its analysis of the budget neutrality submission.



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November 17, 2014

Mr. Jeffrey A. Meyers
Director, Intergovernmental Affairs
NH Department of Health and Human Services
Brown Building
129 Pleasant Street
Concord, NH 03301

Re: 1115 Budget Neutrality Projections – New Hampshire Health Protection Program Premium Assistance Program

Dear Jeff:

This letter provides the New Hampshire Department of Health and Human Services (DHHS) with budget neutrality projections for the *New Hampshire Health Protection Program Premium Assistance Program* Section 1115 Demonstration Waiver. This letter includes documentation of the budget neutrality methodology and provides CMS template forms and related worksheets. This information is appropriate for including in the waiver application to CMS.

OVERVIEW OF METHODOLOGY

New Hampshire will maintain budget neutrality over the one-year lifecycle of the *Premium Assistance Program* Section 1115 Demonstration Waiver, with total spending under the waiver not exceeding what the federal government would have spent without the waiver. New Hampshire's budget neutrality methodology includes the following components, resulting in a projected net savings of \$12.0 million over the one year demonstration period:

- The "without waiver" projections reflect the current New Hampshire Health Protection Program (NHHPP) Bridge Program capitation rates and enrolled population. The September 2014 – December 2015 Bridge Program capitation rates were adjusted to reflect expected trends and population acuity for calendar year 2016.
- The "with waiver" projections reflect the expected cost of enrolling the Premium Assistance Program population in a qualified health plan (QHP) purchased on the federally facilitated New Hampshire Health Insurance Marketplace. The "with waiver" projections include the cost of the insurance premium, cost sharing subsidies, and wraparound fee-for-service (FFS) Medicaid services.

The rest of this document includes the information requested in the Budget Neutrality Form available at www.medicaid.gov regarding historical expenditure data and projected expenditures. The budget neutrality projections using the CMS template are included as Attachment A of this letter. The budget neutrality worksheet is also provided in Excel format.

HISTORICAL DATA

True historical data is not available for the NHHPP Bridge Program population because it is a newly covered population that began enrollment into Medicaid managed care organizations (MCOs) on September 1, 2014. The data presented in the "Historic Data" tab of the budget neutrality worksheet reflects the following information:

- September 2014 – December 2015 NHHPP Bridge Program capitation rates as documented in our July 7, 2014 report
- The expected impact of pharmacy rebates DHHS will collect on MCO drug expenditures
- An expected enrollment of 45,000 adults
- The demographics of the population enrolled in the NHHPP Bridge Program as of October 2014, summarized Table 1:

Table 1 Summary of NHHPP Bridge Program Enrollment October 2014			
Age Group	Female	Male	Total
19 - 24	2,107	1,796	3,903
25 - 34	3,218	2,127	5,345
35 - 44	2,180	1,506	3,686
45 - 54	1,851	1,586	3,437
55 - 64	1,344	1,136	2,480
Total	10,700	8,151	18,851

BRIDGE PERIOD TO BASE YEAR

The Premium Assistance Program will begin on January 1, 2016. Therefore, the data used for the historical year (calendar year 2015) is the same as the Base Year prior to the first demonstration year (calendar year 2016). Therefore, zero months of aging are used in the "WOW" tab of the budget neutrality worksheet.

WITHOUT-WAIVER PROJECTIONS

We used the following adjustments to project the "without waiver" costs assuming that the NHHPP Bridge Program would continue during calendar year 2016:

- Annual enrollment trend = 0.0%: DHHS expects approximately 45,000 adults to enroll in the Premium Assistance Program. The historical data also reflects 45,000 adults.
- PMPM annual cost trend = 4.0%: The September 2014 – December 2015 NHHPP Bridge Program capitation rates were trended for 14 months at an annual rate of 4.0% to reflect utilization and pharmacy trends. Reimbursement trends for non-pharmacy services are 0% since the NHHPP fee schedule is fixed at 2014 Medicare reimbursement rates.
- Wear-off of adverse selection = -9.1%: We removed the September 2014 – December 2015 NHHPP Bridge Program rating assumption that increased capitation rates by 10% for adverse selection (-9.1% = 1.00 / 1.10 - 1). The impact of adverse selection is expected to resolve prior to 2016.

- Wear-off of pent-up demand = -4.8%: We removed the September 2014 – December 2015 NHHPP Bridge Program rating assumption that increased capitation rates by 5% for pent up demand (-4.8% = $1.00 / 1.05 - 1$). The impact of pent up demand is expected to resolve prior to 2016.
- Adjustment for actual medically frail population incidence = 4.4%: The September 2014 – December 2015 NHHPP Bridge Program capitation rates assumed that 10% of the population identified as medically frail and opted into traditional Medicaid coverage. Emerging experience shows that 8% of the population identifies as medically frail. The capitation rates would be 4.4% higher using the 8% medically frail rate.

The net impact of the "without waiver" adjustments is shown as a -5.4% trend adjustment in the "WOW" tab of the budget neutrality worksheet. The projection results in a \$705.81 PMPM "without waiver" target.

Attachment B shows the "without waiver" projection in more detail.

BUDGET NEUTRALITY METHODOLOGY

New Hampshire expects to establish a "Per Capita Method" budget neutrality methodology where it will be at risk for the PMPM Cost of individuals under the Demonstration. Under a per capita method, New Hampshire will not be at risk for the number of member months of participation in the Demonstration.

WITH-WAIVER PROJECTIONS

The "with waiver" projections reflect the expected cost of enrolling the Premium Assistance Program population in a QHP purchased on the federally facilitated New Hampshire Health Insurance Marketplace. The "with waiver" projections include the cost of the insurance premium, cost sharing subsidies, and wraparound fee-for-service (FFS) Medicaid services.

We developed the "with waiver" projections using the following information and assumptions. Attachment B shows the development of the projections on a step by step basis.

- We developed an average premium rate for all Silver Plan coverage available on the Health Insurance Marketplace in 2015. Using the healthcare.gov website, we summarized the 2015 non-smoker premium rates offered by five carriers with 16 separate plans. We weighted each plan premium equally to determine the average premium rate by age, and then used the NHHPP Bridge Program demographics from Table 1 calculate the overall average premium rate of \$368.15.
- The average tobacco use surcharge was about 20%. We assumed 27% of the Premium Assistance Program population would identify as a tobacco user based on New Hampshire and national tobacco use statistics. The impact of the tobacco use surcharge increases the average premium rate by 5.4% to \$388.03.
- We assumed a conservative pricing trend of 10% between 2015 and 2016 based on our commercial market pricing experience, resulting in a 2016 average premium of \$426.84.
- We valued the cost sharing subsidies separately for the <100% FPL and 100-138% FPL populations.



- The <100% FPL population will be enrolled in a 100% actuarial value (AV) plan rather than the 70% Silver Plan cost sharing. We added the expected cost of covering the 30% Silver Plan cost sharing amount.
- The 100 - 138% FPL population will be enrolled in a 94% AV plan. The proposed 94% AV plan is valued at 95% in the 2015 AV calculator. In addition, DHHS will cover the plan deductible. Therefore, we added the expected cost of covering 27% of the 30% Silver Plan cost sharing amount.
- We increased the average cost of the Health Insurance Marketplace risk pool by 3% to reflect induced utilization resulting from the reduced cost sharing levels under the Premium Assistance Program.
- We increased the average cost of the Health Insurance Marketplace risk pool by 5% to reflect the higher acuity level of the Premium Assistance Program population compared to the 2015 risk pool. While the Premium Assistance Program population is expected to be significantly younger than the current risk pool, they are expected to be slightly less healthy than currently insured members of the same age.
- We expect structural changes to the ACA reinsurance program to increase premiums by 3% from 2015 to 2016.
- We estimated the cost of FFS wraparound services such as non-emergency medical transportation, limited dental services, and EPSDT services for 19 - 20 year olds to be \$10 PMPM. We believe this to be a conservatively high estimate.
- We blended our projections for the <100% FPL population (72%) and 100 - 138% FPL population (28%) using the emerging NHHPP Bridge Program enrollment demographics.

The net impact of the "with waiver" projections compared to the "without waiver" projections is shown as a -3.2% adjustment in the "WW" tab of the budget neutrality worksheet. The projection results in a \$683.54 PMPM "with waiver" target.

DISPROPORTIONATE SHARE HOSPITAL EXPENDITURE OFFSET

New Hampshire is not proposing to use a reduction in Disproportionate Share Hospital (DSH) claims to offset Demonstration costs in the calculation of budget neutrality.

BUDGET NEUTRALITY WORKSHEET

The budget neutrality projections using the CMS template are included as Attachment A of this letter, which is also provided in Excel format. We customized the CMS template to be consistent with New Hampshire's budget neutrality approach.

Additional support for the projections is shown in Attachment B.



ADDITIONAL INFORMATION TO DEMONSTRATE BUDGET NEUTRALITY

We look forward to working with CMS and New Hampshire to discuss and refine the budget neutrality projections.

CAVEATS AND LIMITATIONS ON USE

This letter is intended for the internal use of the New Hampshire Department of Health and Human Services (DHHS) and it should not be distributed, in whole or in part, to any external party without the prior written permission of Milliman. We do not intend this information to benefit any third party even if we permit the distribution of our work product to such third party. We understand this letter will be part of New Hampshire's application to CMS.

This letter is designed to provide DHHS with budget neutrality projections for the *New Hampshire Health Protection Program Premium Assistance Program Section 1115 Demonstration Waiver*. This information may not be appropriate, and should not be used, for other purposes.

Actual without-waiver and with-waiver results will vary from estimates due to costs and savings under the demonstration being higher or lower than expected. DHHS should monitor emerging results and take corrective action when necessary.

In preparing this information, we relied on information from DHHS regarding emerging NHHPP Bridge Program experience, projected enrollment, and other information. We accepted this information without audit but reviewed the information for general reasonableness. Our results and conclusions may not be appropriate if this information is not accurate.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

The terms of Milliman's Consulting Services Agreement with DHHS signed on November 16, 2012 apply to this letter and its use.

□ □ □ □ □

Please call Mathieu Doucet or me at (262) 784-2250 if you have any questions.

Sincerely,

John D. Meerschaert
Principal and Consulting Actuary, FSA, MAAA

JDM/vrr

Attachments



ATTACHMENT A
CMS BUDGET NEUTRALITY WORKSHEET

Attachment A
 New Hampshire Health Protection Program
 Premium Assistance Program Section 1115 Demonstration Waiver
 Budget Neutrality Template

	A	B	C	D	E	F	G
1	5 YEARS OF HISTORIC DATA						
2							
3	SPECIFY TIME PERIOD AND ELIGIBILITY GROUP DEPICTED:						
4							
5	NHHPP Bridge Program	NA	NA	NA	NA	CY 2015 (Projected*)	Total
6	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ 402,802,986	\$ 402,802,986
7	ELIGIBLE MEMBER MONTHS	-	-	-	-	540,000	
8	PMPM COST	\$ -	\$ -	\$ -	\$ -	\$ 745.93	
9	TREND RATES						5-YEAR
10				ANNUAL CHANGE			AVERAGE
11	TOTAL EXPENDITURE		NA	NA	NA	NA	NA
12	ELIGIBLE MEMBER MONTHS		NA	NA	NA	NA	NA
13	PMPM COST		NA	NA	NA	NA	NA
47							
48	* Projection based on actual September 2014 - December 2015 NHHPP Bridge Program premium rates and expected enrollment of 45,000 adults.						

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Attachment A
 New Hampshire Health Protection Program
 Premium Assistance Program Section 1115 Demonstration Waiver
 Budget Neutrality Template

	A	B	C	D	E	F	G	H	I	J	K
1	DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS										
2											
3											
4	ELIGIBILITY	TREND	MONTHS	BASE YEAR	TREND	DEMONSTRATION YEARS (DY)					TOTAL
5	GROUP	RATE 1	OF AGING	DY 00	RATE 2	DY 01	DY 02	DY 03	DY 04	DY 05	WOW
6											
7	NHPP Bridge Program										
8	Pop Type:	Expansion									
9	Eligible Member Months	0.0%	0	540,000	0.0%	540,000	NA	NA	NA	NA	
10	PMPM Cost	0.0%	0	\$ 745.93	-5.4%	\$ 705.81	NA	NA	NA	NA	
11	Total Expenditure					\$ 381,137,400	NA	NA	NA	NA	\$ 381,137,400
12											

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Attachment A
 New Hampshire Health Protection Program
 Premium Assistance Program Section 1115 Demonstration Waiver
 Budget Neutrality Template

	A	B	C	D	E	F	G	H	I
1	DEMONSTRATION WITH WAIVER (WW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS								
2									
3									
4				DEMONSTRATION YEARS (DY)					TOTAL WW
5	ELIGIBILITY GROUP	DY 00	DEMO TREND RATE	DY 01	DY 02	DY 03	DY 04	DY 05	
6									
7	NHHPP Premium Assistance Program								
8	Pop Type:	Expansion							
9	Eligible Member Months	540,000	0.0%	540,000	NA	NA	NA	NA	
10									
11	PMPM Cost	\$ 745.93	-5.4%	\$ 705.81	NA	NA	NA	NA	
12	Adjustment to Reflect Projected 2016 Marketplace Premiums and Other Related Payments			-3.2%	NA	NA	NA	NA	
13	PMPM Cost Under Premium Assistance Program			\$ 683.54	NA	NA	NA	NA	
14	Total Expenditure under Premium Assistance Program			\$ 369,111,600	NA	NA	NA	NA	\$ 369,111,600
15									
16									\$ -
17									\$ -
18									
19	Total Expenditure			\$ 369,111,600	NA	NA	NA	NA	\$ 369,111,600
20									
21									
22									
23									
24	NOTES								
25	For a per capita budget neutrality model, the trend for member months is the same in the with-waiver projections as in the without-waiver projections. This is the default setting.								

Attachment A
 New Hampshire Health Protection Program
 Premium Assistance Program Section 1115 Demonstration Waiver
 Budget Neutrality Template

	A	B	C	D	E	F	G
1	Panel 1: Historic DSH Claims for the Last Five Fiscal Years:						
2	RECENT PAST FEDERAL FISCAL YEARS						
3		20__	20__	20__	20__	20__	
4	State DSH Allotment (Federal share)						
5	State DSH Claim Amount (Federal share)						
6	DSH Allotment Left Unspent (Federal share)	\$ -	\$ -	\$ -	\$ -	\$ -	
7							
8	Panel 2: Projected Without Waiver DSH Expenditures for FFYs That Overlap the Demonstration Period						
9	FEDERAL FISCAL YEARS THAT OVERLAP DEMONSTRATION YEARS						
10		FFY 00 (20__)	FFY 01 (20__)	FFY 02 (20__)	FFY 03 (20__)	FFY 04 (20__)	FFY 05 (20__)
11	State DSH Allotment (Federal share)						
12	State DSH Claim Amount (Federal share)						
13	DSH Allotment Projected to be Unused (Federal share)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14							
15	Panel 3: Projected With Waiver DSH Expenditures for FFYs That Overlap the Demonstration Period						
16	FEDERAL FISCAL YEARS THAT OVERLAP DEMONSTRATION YEARS						
17		FFY 00 (20__)	FFY 01 (20__)	FFY 02 (20__)	FFY 03 (20__)	FFY 04 (20__)	FFY 05 (20__)
18	State DSH Allotment (Federal share)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	State DSH Claim Amount (Federal share)						
20	Maximum DSH Allotment Available for Diversion (Federal share)						
21	Total DSH Allotment Diverted (Federal share)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	DSH Allotment Available for DSH Diversion Less Amount Diverted (Federal share, must be non-negative)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	DSH Allotment Projected to be Unused (Federal share, must be non-negative)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24							
25	Panel 4: Projected DSH Diversion Allocated to DYs						
26	DEMONSTRATION YEARS						
27			DY 01	DY 02	DY 03	DY 04	DY 05
28	DSH Diversion to Leading FFY (total computable)						
29	FMAP for Leading FFY						
30							
31	DSH Diversion to Trailing FFY (total computable)						
32	FMAP for Trailing FFY						
33							
34	Total Demo Spending From Diverted DSH (total computable)		\$ -	\$ -	\$ -	\$ -	\$ -

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Attachment A
 New Hampshire Health Protection Program
 Premium Assistance Program Section 1115 Demonstration Waiver
 Budget Neutrality Template

	A	B	C	D	E	F	G
1	Budget Neutrality Summary						
2							
3	Without-Waiver Total Expenditures						
4		DEMONSTRATION YEARS (DY)					TOTAL
5		DY 01	DY 02	DY 03	DY 04	DY 05	
6	Medicaid Populations						
7	NHHPP Bridge Program	\$ 381,137,400	NA	NA	NA	NA	\$ 381,137,400
17							
18	TOTAL	\$ 381,137,400	\$ -	\$ -	\$ -	\$ -	\$ 381,137,400
19							
20	With-Waiver Total Expenditures						
21		DEMONSTRATION YEARS (DY)					TOTAL
22		DY 01	DY 02	DY 03	DY 04	DY 05	
23	Medicaid Populations						
24	NHHPP Premium Assistance Program	\$ 369,111,600	NA	NA	NA	NA	\$ 369,111,600
37							
38	TOTAL	\$ 369,111,600	\$ -	\$ -	\$ -	\$ -	\$ 369,111,600
39							
40	VARIANCE	\$ 12,025,800	\$ -	\$ -	\$ -	\$ -	\$ 12,025,800

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ATTACHMENT B

**DETAILED BUDGET NEUTRALITY PROJECTIONS FOR
PREMIUM ASSISTANCE PROGRAM**

Attachment B
1115 Waiver Budget Neutrality Projections for Premium Assistance Program

Bridge Program Cost Projection (Without Waiver)

0-138% FPL

Comments

Sept 2014 - Dec 2015 Bridge Program capitation rate		\$793.54	Average rate based on emerging Bridge program demographics and July 7, 2014 NHHPP rate report
<u>Impact of expected pharmacy rebates</u>		<u>0.940</u>	Reflects estimated Medicaid drug rebate of 35% collected by DHHS on MCO drug expenditures
Average Bridge Program rate net of pharmacy rebates		\$745.93	
Annual trend rate		4%	Reimbursement trend is 0% (fixed at 2014 Medicare fees), therefore utilization and Rx trend only
<u>Trend factor to CY 2016</u>		<u>1.047</u>	Trend period is 14 months (midpoint of Sept 2014 - Dec 2015 rate period to midpoint of CY 2016)
Trended Premium		\$780.86	
Wear-off of adverse selection	0.909		Remove 10% adverse selection adjustment from Bridge Program rate calculation
Wear-off of pent-up demand	0.952		Remove 5% pent-up demand adjustment from Bridge Program rate calculation
Adjustment for actual medically frail population	<u>1.044</u>		Actual medically frail identification rate in Bridge Program is 8% compared to rate setting assumption of 10% (still assumes medically frail population acuity is 2.5 x average 0-138% FPL population acuity)

Total "Without Waiver" CY 2016 cost projection (assumes Bridge Program continues) \$705.81

Premium Assistance Program Cost Projection (With Waiver)

<100% FPL

100-138% FPL

Comments

CY 2015 Average Non-Smoker Premium on New Hampshire's Individual Marketplace	368.15	\$368.15	Average non-smoker premium rate across all carriers' age-specific rates and Bridge Program population age demographics
Average Tobacco use surcharge	1.20	1.20	Average tobacco use load for all carriers in 2015 New Hampshire individual marketplace
Percent of Premium Assistance Program enrollees identifying as using tobacco	27%	27%	Assume 27% of population identifies as a tobacco user. Assume 18% of the New Hampshire adult population uses tobacco (16-20% depending on the source), and the low income population is about 50% more likely to use tobacco than an average adult (based on National Health Interview Survey, United States, 2005 and 2012).
CY 2015 Average Premium on New Hampshire's Individual Marketplace	388.03	388.03	
Annual pricing trend rate	10%	10%	Conservative commercial market trend factor assumption
<u>Trend factor to CY 2016</u>	<u>1.100</u>	<u>1.100</u>	Trend period is 12 months (midpoint of CY 2015 to midpoint of CY 2016)
Trended premium	\$426.84	\$426.84	
Actuarial Value	70%	70%	Silver plans reflect an average member cost sharing percentage of 30% (i.e., an actuarial value of 70%)
Actuarial Value of subsidized plan	100%	95%	For 100-138% population benefit, 2015 AV calculator is 95% (in allowable +/- 1% range for 94% AV plan)
<u>Value of cost sharing subsidy</u>	<u>\$182.93</u>	<u>\$152.44</u>	
Total plan value	\$609.77	\$579.28	
AV of covering deductible for 100-138% FPL plan	0.0%	2.0%	Estimated value of the 94% AV plan deductible
<u>PMPM to cover deductible for 100-138% FPL plan</u>	<u>\$0.00</u>	<u>\$12.20</u>	
Total Medicaid payments to carriers	\$609.77	\$591.47	
<u>Impact of induced utilization by removing cost sharing (impact on total risk pool)</u>	<u>1.030</u>	<u>1.030</u>	Impact of reduced cost sharing on utilization levels
Adjusted plan value	\$628.06	\$609.22	
<u>Premium assistance population impact on individual marketplace risk pool average acuity</u>	<u>1.050</u>	<u>1.050</u>	Assumes the premium assistance population is 10% "sicker" than the 2015 individual marketplace risk pool (after adjusting for A/G differences), and adding the premium assistance population doubles the size of the risk pool.
Adjusted Premium	\$659.46	\$639.68	
<u>General commercial pricing changes due to changes in the ACA reinsurance program</u>	<u>1.030</u>	<u>1.030</u>	Based on Milliman's general commercial pricing work
Adjusted Premium	\$679.25	\$658.87	
Estimate of FFS Medicaid wraparound service cost	<u>\$10.00</u>	<u>\$10.00</u>	Conservatively high placeholder
"With Waiver" CY 2016 projected cost by FPL group	\$689.25	\$668.87	
Bridge Program population split by FPL	72%	28%	October 2014 Bridge Program enrollment data

Total "With Waiver" CY 2016 projected cost for Premium Assistance Program \$683.54

Projected Waiver Savings (\$ PMPM) \$22.27
Projected Waiver Savings (as a % of "Without Waiver" projection) 3.2%

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State of New Hampshire

FIS 14 204

DEPARTMENT OF HEALTH AND HUMAN SERVICES

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 FAX: 603-271-4912 TDD ACCESS: RELAY NH 1-800-735-2964

NICHOLAS A. TOUMPAS
COMMISSIONER

October 23, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Re: Dashboard – September 2014

Information

The Department of Health and Human Services provides the monthly dashboard report to inform policy makers as to the status on demand for services in entitlement programs. The purposes of this dashboard are to:

1. Provide summary information on enrollments in several high cost programs,
2. Monitor high level fiscal issues to ensure sufficient funding is available for entitlement programs and for programs intended by the legislature, and to
3. Provide a summary of significant administrative and operations initiatives.

Explanation

Mission

The Department's mission is "to join communities and families in providing opportunities for citizens to achieve health and independence." The majority of individuals serviced by the Department fall into four groups and programs to help these individuals require different approaches with differing objectives.

- Permanently Disabled Individuals include the developmentally disabled, frail elderly and those with mental health issues who require long-term care services. The objective is to help them maximize their independence, to allow to the extent it is safe for the individual, to live within a community, while recognizing that for many there will always be a need for long-term services and supports.
- Temporarily Low Income Individuals are those who have exhausted their financial resources due a loss of employment, divorce or temporary health issues. These individuals have the ability to likely recover their independence when jobs are available or their current crises are overcome with the appropriate interim supports.
- Individuals who qualify for subsidized health care under the federal Affordable Care Act receive assistance in selecting and paying for health care coverage as provided for under the New Hampshire Health Protection Program.
- Chronically Low Income Individuals are the most complex. Breaking the cycle of poverty for the chronically low income requires a commitment from public and state leaders to invest in programs that will support a coordinated statewide effort including, not only the Department of Health and Human Services, but also Education, Corrections and Employment Security.

For the quarter ended September 2014, the Department provided services to an average of 167,616 individuals, which was 9.5% higher than the previous year (Table 1). The increase is related to two changes in the Medicaid medical assistance program: 1) increases in enrollment caused by federal changes in eligibility criteria as part of the Modified Adjusted Gross Income (MAGI) methodology of the Affordable Care Act, and 2) implementation of the NH Health Protection Program. The number of Medicaid clients had been trending at slightly less than the prior year through December 2013 but increased by 24,915 individuals, an increase of nearly 20% since December 2013 (Table 2).

Table 1
Average Enrollment (Persons) Quarter Ended September of

	2011	2012	2013	2014
Total Unduplicated Persons	153,929	156,582	152,826	170,474
<i>Pct Increase from Prior Year</i>	1.85%	1.72%	-2.40%	11.55%
Medicaid Persons **	119,786	129,666	128,894	149,205
<i>Pct Increase from Prior Year</i>	0.69%	8.25%	-0.60%	15.76%
Food Stamp Persons	114,204	116,703	115,305	108,813
<i>Pct Increase from Prior Year</i>	3.93%	2.19%	-1.20%	-5.63%
FANF Persons	12,013	8,713	7,852	6,908
<i>Pct Increase from Prior Year</i>	-14.12%	-27.47%	-9.88%	-12.03%
APTD Persons	8,933	8,306	7,935	7,716
<i>Pct Increase from Prior Year</i>	3.43%	-7.02%	-4.47%	-2.77%
Elderly Nursing Services	7,171	7,318	7,194	7,173
<i>Pct Increase from Prior Year</i>	-0.49%	2.05%	-1.69%	-0.29%

Note: * Medicaid persons for 2011 does not include CHIP program.

** August 2014 was first month of enrollment for NH Health Protection Program

Table 2
Number of Individuals on Medicaid

	Versus Prior Month	Versus Prior Year
13-Jul	129,255	(98)
13-Aug	129,063	(192)
13-Sep	128,364	(699)
13-Oct	128,276	(88)
13-Nov	127,359	(917)
13-Dec	126,905	(454)
14-Jan	132,034	5,129
14-Feb	134,728	2,694
14-Mar	136,815	2,087
14-Apr	138,157	1,342
14-May	138,562	405
14-Jun	139,105	543
14-Jul	139,881	776
14-Aug	150,820	10,939
14-Sep	156,913	6,093

Funding Issues

On Table A of the dashboard, a shortfall of \$63 million in general funds is projected for SFY15, with an estimated \$17 million of funding sources identified. The Department has historically been proactive in dealing with budget shortfalls and the current budget issues were, and will continue to be, addressed in a similar manner. The day the budget was passed, the Department began work on assessing funding shortfalls and options for addressing those shortfalls.

- The Department implemented a hiring freeze prior to the state-wide freeze on hiring for all non-direct care positions with an objective of maintaining 250 vacancies. Vacancies have averaged 301 positions for the past year representing a vacancy rate of 10.4% of authorized positions.
- All administrative accounts were reviewed to identify areas for potential reduction.
- Similar to the process used during the Senate phase of the budget, a list of program areas where significant general funds were added to our budget was prepared and reviewed.

Shortfalls are primarily related to additional Medicaid caseloads (\$19 mil), administrative costs for NHHPP (\$6.6 mil), delayed implementation of care management (\$14 mil), and federally required implementation of ICD-10 reporting (\$3.6 mil). For SFY14, the Department satisfied the funding needs through vacancy savings, savings in prescription drugs and surpluses in certain programs. These are funds that would have lapsed had they not been needed to resolve funding issues. The SFY15 estimated shortfalls are in excess of estimated lapsed amounts and the Department has been working with the Governor's office to develop options.

Operations & Administration

For SFY14 and SFY15, several significant changes to service delivery systems and operational infrastructure are in process. These are identified on Table 3. Additionally, legislation related to medical marijuana, family planning services and New Hampshire Health Protection Program provided no additional funding or staff for implementation and has to date and will continue to require that resources be transferred from other areas of the Department's organization.

These projects and high caseloads are straining the Department's capacity. As shown on Table D, the number of filled positions has been declining while the number of clients to be serviced has been increasing. The decline in number of staff is exacerbated by the fact that over 10% of the Department's workforce is age 60 with at least 10 years of service and eligible for retirement. The decline in staff and increase in demands of higher caseloads and new projects and programs has resulted in stress to the organization and resulted in the loss through retirement or resignations of a number of key staff.

Table 3
Transformation Initiatives SFY14-SFY15

Service Delivery

1. Medicaid Care Management for Medical and Long Term Care Services
2. Implementation of Children in Need of Services (CHINS) Voluntary Services
3. Implementation of the 10-Year Mental Health Plan
4. State Innovation Model (SIM) Grant
5. Balanced Incentive Program (BIP) Grant

Table 3
Transformation Initiatives SFY14-SFY15
(continued)

Medicaid Model

6. Development of an 1115 Waiver to restructure the Medicaid program
7. Implementation of authorized elements of the Affordable Care Act (ACA)
 - a. Implementation of the Modified Adjusted Gross Income
 - b. Federally Facilitated Marketplace
 - c. Federally Funded Primary Care Rate Increase
8. Implementation of the State's health care protection program

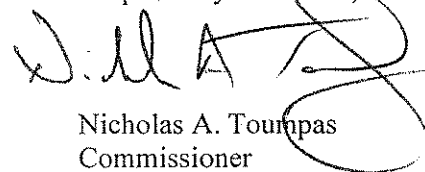
Information Technology

9. Medicaid Management Information System
10. Service Delivery System Transformation – Data Repository
11. Implementation of federal ICD-10 regulations
12. Health Information Exchange
13. Replace Child Support Information System (NECSES)
14. Complete the installation of the Medicaid Management Information System (MMIS)
15. Continue the modernization of the eligibility determination system (New HEIGHTS)
16. Implement Electronic Medical Record at New Hampshire Hospital
17. Implement WISDOM Public Health Performance Management System

Summary

The Department has continually strived to deliver high quality and cost-effective services to individuals requiring support services and to the taxpayers who fund those services and to improve the value of the services delivered. Successful transition to a new business structure, however, is challenged by continuing reduction in resources and resistance from existing delivery systems and stakeholders.

Respectfully submitted,


Nicholas A. Toumpas
Commissioner

Enclosure

cc: The Honorable Mary Jane Wallner, Chairman, House Finance Committee
The Honorable Jeanie Forrester, Chairman, Senate Finance Committee
The Honorable Chuck W. Morse, President, NH State Senate
The Honorable James MacKay, House Health, Human Services & Elderly Affairs Committee
The Honorable Nancy Stiles, Senate Health, Education & Human Services Committee
Her Excellency, Governor Margaret Wood Hassan
The Honorable Terie Norelli, Speaker, NH House of Representatives
Jeffrey A. Pattison, Legislative Budget Assistant

Executive Council

The Honorable Colin Van Ostern The Honorable Chris Sununu The Honorable Joseph D. Kenney
The Honorable Christopher Pappas The Honorable Debora B. Pignatelli

House Finance Committee

The Honorable Mary Allen The Honorable Richard Barry The Honorable Bernard Benn
The Honorable Thomas Buco The Honorable John Cebrowski The Honorable Daniel Eaton
The Honorable Robert Elliott The Honorable Susan Ford The Honorable Marilinda Garcia
The Honorable William Hatch The Honorable David Huot The Honorable Neal Kurk
The Honorable Peter Leishman The Honorable Alfred Lerandean The Honorable Dan McGuire
The Honorable Sharon Nordgren The Honorable Lynne Ober The Honorable Katherine Rogers
The Honorable Cindy Rosenwald The Honorable Stephen Spratt The Honorable Karen Umberger
The Honorable Robert Walsh The Honorable Kenneth Weyler The Honorable Colette Worsman

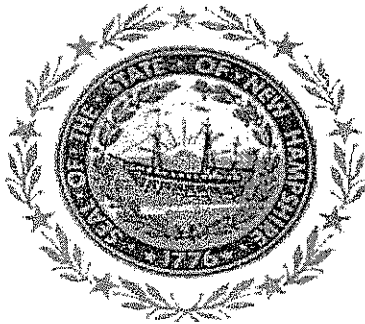
Senate Finance Committee

The Honorable Peter Bragdon The Honorable Lou D'Allesandro
The Honorable Sylvia Larsen The Honorable Bob Odell

Governor's Office

Pam Walsh, Chief of Staff
Meredith Telus, Budget Director

DEPARTMENT OF HEALTH AND HUMAN SERVICES



OPERATING STATISTICS DASHBOARD

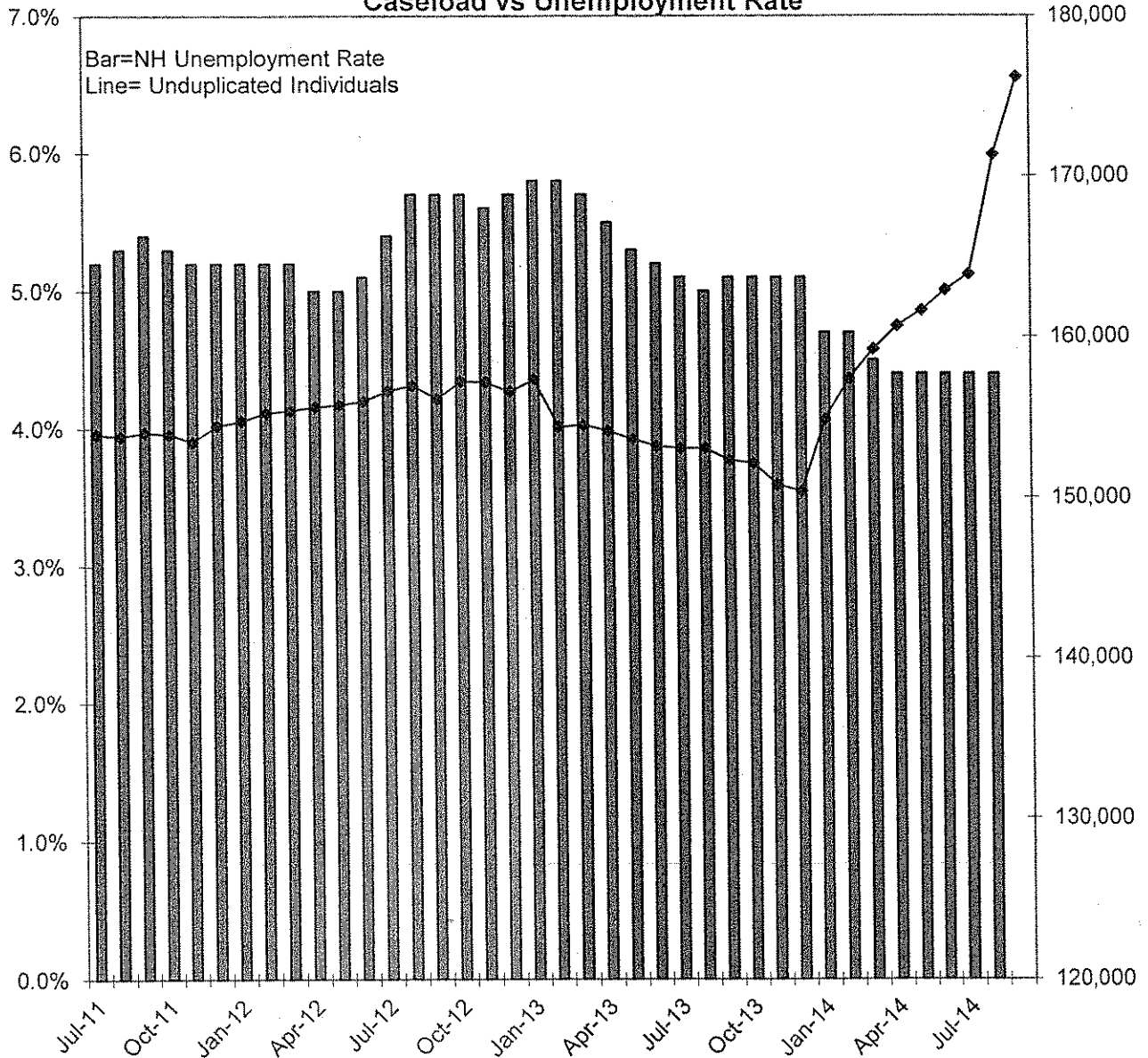
DATA THROUGH SEPTEMBER 2014

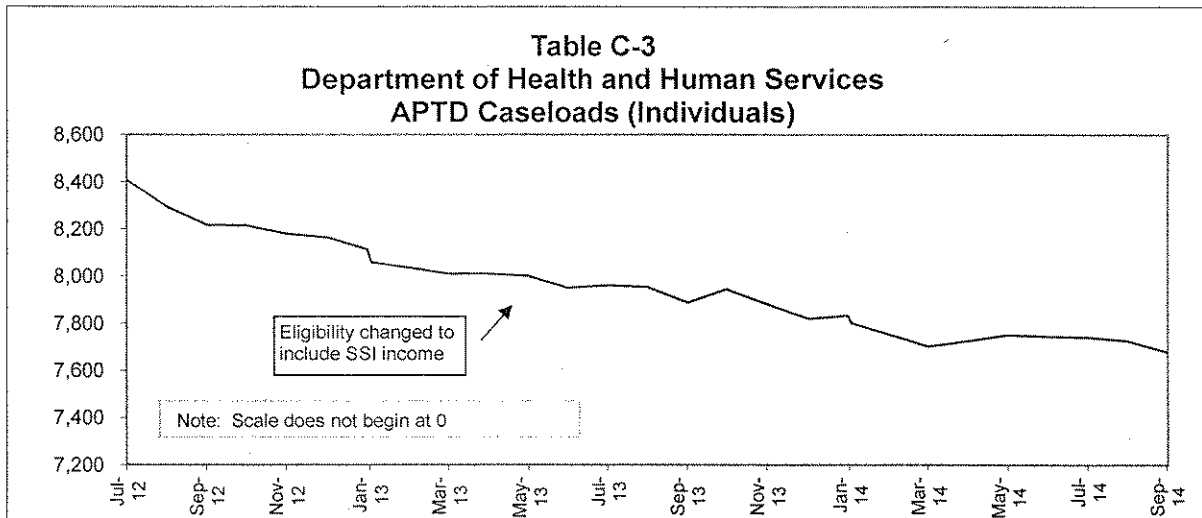
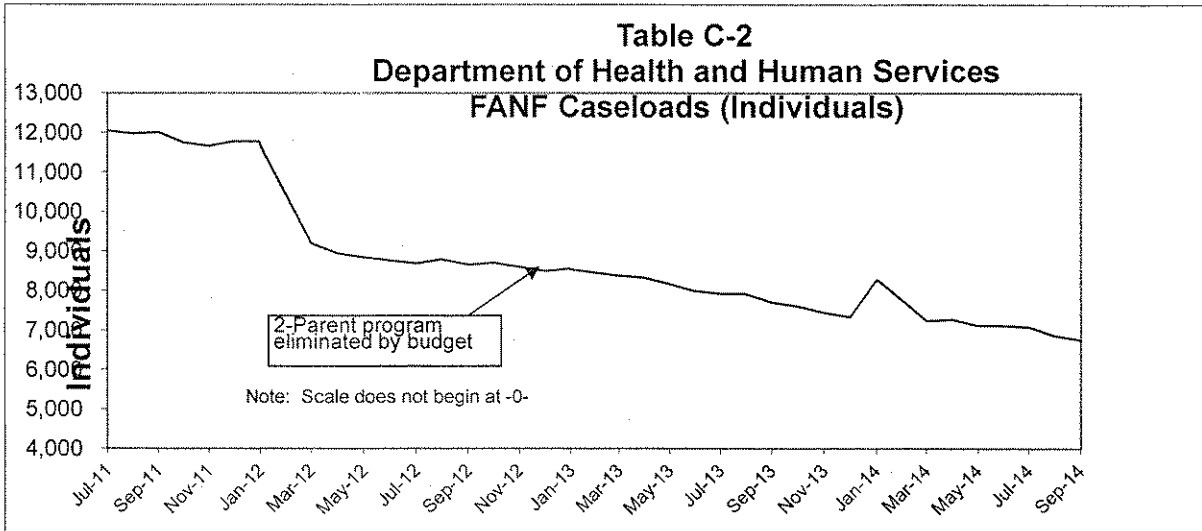
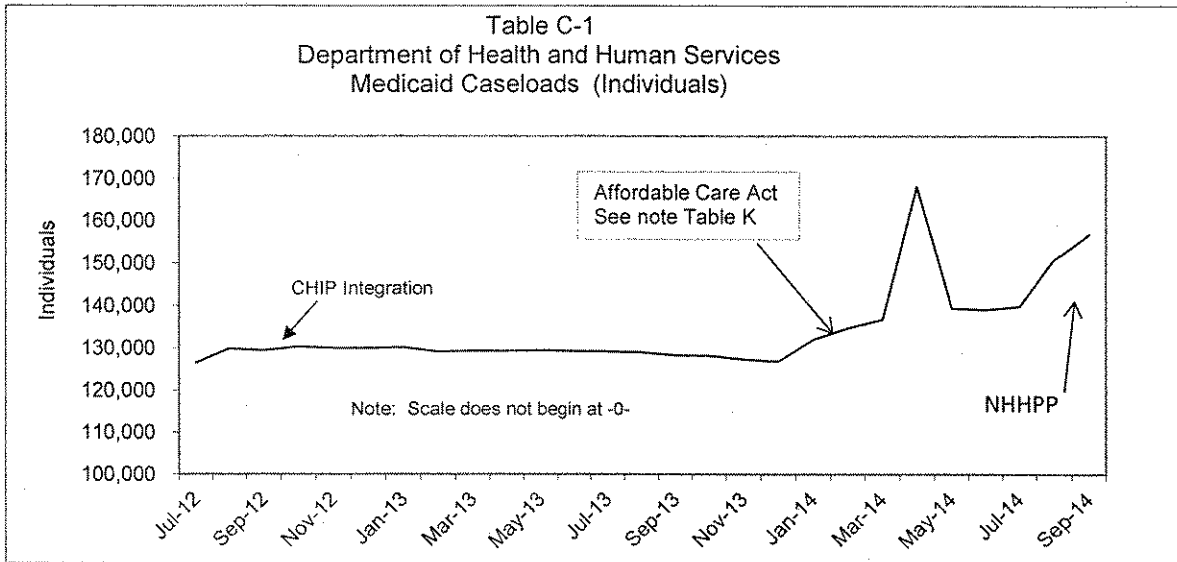
SFY15

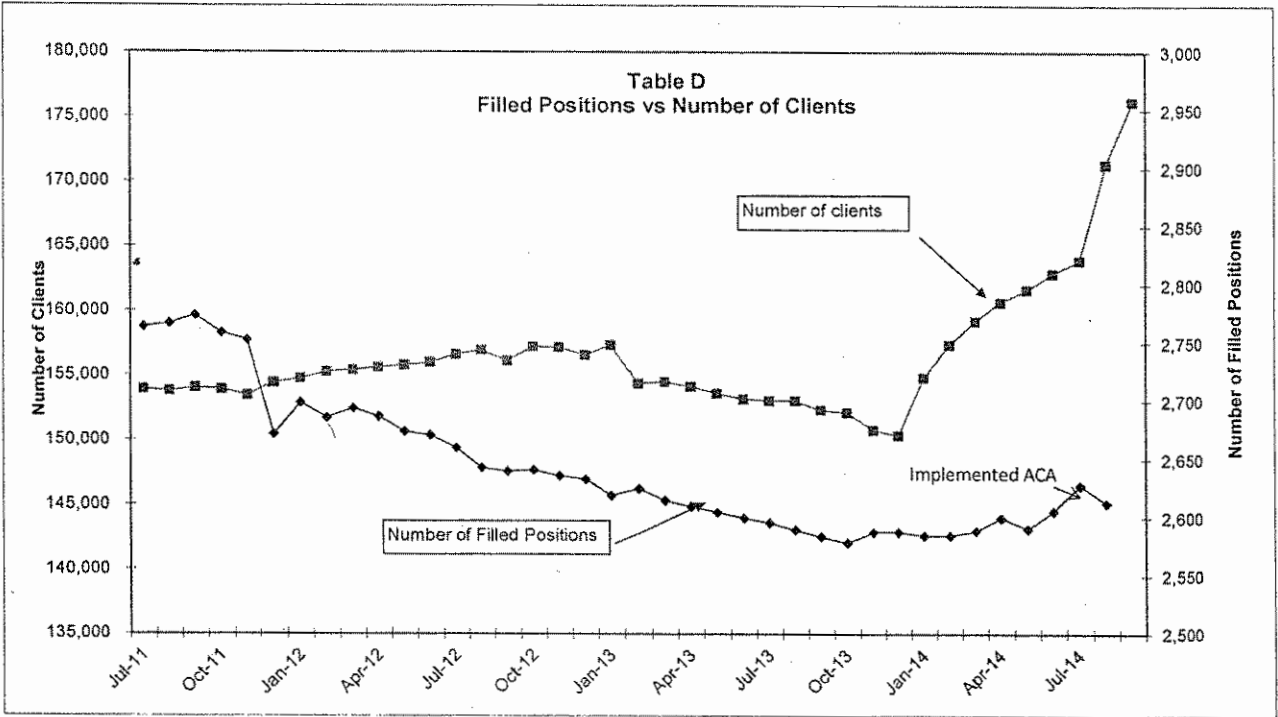
Prepared October 17, 2014

	A	B	C	F	G	H	I	J
1	Department of Health and Human Services							
2	Budget Planning SFY14-SFY15							
3	Prepared October 17, 2014							
4	The budget for SFY14-15 provides insufficient general funds to address the legislative intents for services and obligations that are expected to be incurred. This summary identifies the shortfalls as currently anticipated for SFY15 and potential sources of funding.							
5	The items reported on the list include only those which a) are likely to be incurred and b) for which amounts can be reasonably estimated.							
6	Traditionally, the Department avoids using funds that would otherwise lapse to address budget shortfalls so as to not affect the estimated lapse. That was not possible in SFY14 and will likely not be possible for SFY15. Much of the budget shortfalls will be addressed by funds that would have otherwise lapsed.							
7								
8	General Fund Figures Rounded to \$000			SFY15 Est 6/30	SFY15 Est 7/31	SFY15 Est. 8/31	SFY15 Est. 9/30	
9	Lapse Estimated in Final Budget							
10			Lapse estimated in final budget-3.68%	\$23,785	\$23,785	\$23,785	\$23,785	
11			Less Amount Needed for Budget Shortfalls (Detailed Below)	(\$46,736)	(\$42,516)	(\$46,015)	(\$48,794)	
13			Net Lapse (Funding Shortfall)	(\$22,950)	(\$18,730)	(\$22,230)	(\$25,009)	
14								
15	Potential Budget Shortfalls							
16	DHHS		DHHS footnote reduction (HB2:10) (\$7 mil F14-15)	(\$3,500)	(\$3,500)	(\$7,000)	(\$7,000)	
17	DHHS		DHHS share of statewide personnel reduction	(\$1,923)	(\$2,338)	(\$2,338)	(\$2,338)	
18	DHHS		Health Facility Licensing Fees not authorized	(\$173)	(\$173)	(\$173)	(\$173)	
19	DHHS		Budgeting Error-Food License Revenue Budgeted Twice	(\$907)	(\$907)	(\$907)	(\$907)	
20	DHHS		Medicaid To Schools-Transportation	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	
21	DHHS		DSH Settlement	\$0	\$0	\$0	\$0	
22	SYSC		Reduction in SYSC appropriation (HB2:14)	(\$750)	(\$1,018)	(\$1,018)	(\$1,018)	
23	DHHS		Delayed Implementation Medicaid Care Management -Step 1	(\$8,460)	(\$8,460)	(\$8,460)	(\$8,460)	
24	DHHS		Shifting of Timeline for Implementation of Care Management for Long Term Supports (Step 2)	(\$5,600)	(\$5,600)	(\$5,600)	(\$5,600)	
25	OMBP		Medicaid Admin Contract		(\$477)	(\$477)	(\$693)	
26	OMBP		Family Planning Services		(\$535)	(\$535)	(\$535)	
27	DHHS		Health Care Protection (SB413)	(\$6,559)	(\$6,559)	(\$6,559)	(\$6,559)	
28	BBH		Community Mental Health Agreement (HB1635)	(\$5,522)	(\$5,522)	(\$5,522)	(\$5,522)	
29	DHHS		Information systems	(\$3,617)	(\$3,617)	(\$3,617)	(\$5,961)	
30	NHH		Admissions Unit (SB235)	(\$81)	(\$81)	(\$81)	(\$81)	
31	DHHS		Medicaid Caseload Increases (see note below)	(\$19,159)	(\$19,208)	(\$19,208)	(\$19,208)	
32								
33			Total Estimated Shortfalls	(\$58,251)	(\$59,995)	(\$63,495)	(\$66,055)	
34								
35	Potential Funding Sources							
36	DHHS		Vacancy savings	\$4,000	\$4,000	\$4,000	\$4,000	
37	DHHS		Non-recurring items					
38	BDS		Savings from lower service utilization	\$1,045	\$1,045	\$1,045	\$1,045	
39	DPHS		Reduced funding for Family Planning	\$100	\$100	\$100	\$100	
40	DPHS		Reduced funding for Comm Health Centers	\$750	\$750	\$750	\$750	
41	SYSC		Reduction in SYSC appropriation (HB2:14)	\$750	\$1,018	\$1,018	\$1,018	
42	DCS		OAPD	\$2,000	\$2,000	\$2,000	\$2,000	
43	Drugs		Drugs & State Phasedown (clawback)	\$2,871	\$2,871	\$2,871	\$2,652	
44	BBH		HB 1635 Mental Health Agreement Appropriation		\$5,696	\$5,696	\$5,696	
45			Funding Sources Identified	\$11,516	\$17,480	\$17,480	\$17,261	
47			Net Surplus (Shortfall)	(\$46,736)	(\$42,516)	(\$46,015)	(\$48,794)	
48								
49								
50	Note		Figures represents cost of net increase in Medicaid caseloads including new clients related to MAGI regulations, new "woodwork clients," clients who leave Medicaid for employer sponsored					

Table B
Department of Health and Human Services
Caseload vs Unemployment Rate







	A	B	C	D	E	F	G	H
1	Table E							
2	Department of Health and Human Services							
3	Operating Statistics							
4	Children In Services							
5								
6		DCYF	DCYF	Family Foster	Residential	Child Care	Child Care	SYSC
7		Referrals	Assessments	Care	Placement	Emplmnt	Wait List	Secure
8				Placement	Placement	Related		Census
9		Actual	Actual	Actual	Actual	Actual	Actual	Actual
47	Jul-12	1,100	681	605	323	5,175	0	60
48	Aug-12	1,050	744	611	317	5,219	0	57
49	Sep-12	1,151	681	619	295	5,050	0	56
50	Oct-12	1,344	898	612	306	5,076	0	60
51	Nov-12	1,098	656	609	321	5,061	0	57
52	Dec-12	1,086	656	601	325	4,995	0	59
53	Jan-13	1,245	715	594	322	5,164	0	54
54	Feb-13	1,072	674	609	318	5,113	0	58
55	Mar-13	1,180	842	619	318	5,231	0	57
56	Apr-13	1,269	852	612	339	5,368	0	60
57	May-13	1,383	852	589	331	5,357	0	69
58	Jun-13	1,147	685	594	332	5,345	0	72
59	Jul-13	1,124	772	571	315	5,568	0	61
60	Aug-13	1,045	591	570	323	5,517	0	60
61	Sep-13	1,276	544	560	297	5,345	0	56
62	Oct-13	1,276	603	567	305	5,357	0	58
63	Nov-13	1,083	536	565	304	5,350	0	61
64	Dec-13	1,111	649	559	299	5,322	0	61
65	Jan-14	1,260	706	542	290	5,298	0	66
66	Feb-14	962	688	531	309	5,238	0	59
67	Mar-14	1,307	1,016	537	311	5,459	0	62
68	Apr-14	1,324	972	539	313	5,512	0	62
69	May-14	1,370	866	531	317	5,737	0	59
70	Jun-14	1,267	684	535	324	5,694	0	59
71	Jul-14	1,049	890	510	319	5,742	0	52
72	Aug-14	1,273	827	510	254	5,626	0	52
73	Sep-14	1,485	921	501	282	5,543	0	48
74	Oct-14							
75	Nov-14							
76	Dec-14							
77	Jan-15							
78	Feb-15							
79	Mar-15							
80	Apr-15							
81	May-15							
82	Jun-15							
83	ANNUAL AVERAGE							
84	SFY11	1,140	743	630	415	4,833	1,178	62
85	SFY12	1,189	771	596	322	5,043	0	60
86	SFY13	1,177	745	606	321	5,180	0	60
87	SFY14	1,200	719	551	309	5,450	0	60
88								
89	Source of Data							
90	Column							
91	B	DCYF SFY Management Database Report: Bridges.						
92	C	DCYF Assessment Supervisory Report: Bridges.						
93	D	Bridges placement authorizations during the month, unduplicated.						
94	E	Bridges placement authorizations during the month, unduplicated.						
95	F	Bridges Expenditure Report, NHB-OAR8-128						
96	G	Child Care Wait List Screen: New Heights						
97	H	Bridges Service Day Query - Bed days divided by days in month						

	A	B	C	D	E	F	G	H	
1	Table F								
2	Department of Health and Human Services								
3	Operating Statistics								
4	Social Services								
5									
6		FANF	APTD Persons	Food Stamps Persons	Child Support Cases				
7					Current Cases	Former Cases	Never Cases	Total Cases	
8					Actual	Actual	Actual	Actual	
9		Actual	Actual	Actual	Actual	Actual	Actual	Actual	
46	Jul-12	8,690	8,405	117,625	4,184	17,771	12,928	34,883	
47	Aug-12	8,793	8,296	117,916	4,031	17,760	12,899	34,690	
48	Sep-12	8,657	8,218	117,569	4,038	17,722	12,853	34,613	
49	Oct-12	8,704	8,216	119,101	4,261	17,526	12,865	34,652	
50	Nov-12	8,599	8,181	118,992	4,066	17,650	12,862	34,578	
51	Dec-12	8,493	8,164	118,817	4,051	17,653	12,893	34,597	
52	Jan-13	8,559	8,115	120,153	4,136	17,542	12,836	34,514	
53	Feb-13	8,538	8,059	117,654	4,175	17,545	12,857	34,577	
54	Mar-13	8,378	8,011	117,409	4,041	17,723	13,006	34,770	
55	Apr-13	8,337	8,011	114,147	4,162	17,606	13,054	34,822	
56	May-13	8,169	8,001	119,317	3,973	17,780	13,102	34,855	
57	Jun-13	8,005	7,951	116,087	3,917	17,850	13,146	34,913	
58	Jul-13	7,926	7,962	115,691	4,035	17,724	13,193	34,952	
59	Aug-13	7,922	7,955	115,499	3,866	17,901	13,180	34,947	
60	Sep-13	7,709	7,889	114,725	3,772	17,913	13,183	34,868	
61	Oct-13	7,609	7,945	114,915	3,938	17,797	13,227	34,962	
62	Nov-13	7,449	7,882	113,514	3,793	17,908	13,325	35,026	
63	Dec-13	7,334	7,820	112,908	3,803	17,774	13,331	34,908	
64	Jan-14	7,330	7,834	113,326	3,762	17,783	13,316	34,861	
65	Feb-14	7,353	7,803	112,791	3,767	17,695	13,329	34,791	
66	Mar-14	7,242	7,704	112,511	3,723	17,734	13,361	34,818	
67	Apr-14	7,277	7,727	112,144	3,863	17,593	13,453	34,909	
68	May-14	7,119	7,751	111,362	3,828	17,592	13,518	34,938	
69	Jun-14	7,116	7,745	110,590	3,700	17,766	13,683	35,149	
70	Jul-14	7,085	7,741	109,239	3,672	17,849	13,748	35,269	
71	Aug-14	6,871	7,727	108,767	3,671	17,803	13,741	35,215	
72	Sep-14	6,767	7,679	108,434	3,598	17,831	13,736	35,165	
73	Oct-14								
74	Nov-14								
75	Dec-14								
76	Jan-15								
77	Feb-15								
78	Mar-15								
79	Apr-15								
80	May-15								
81	Jun-15								
82	ANNUAL AVERAGE								
83	SFY11	13,696	8,794	112,302	5,581	17,264	13,006	35,850	
84	SFY12	10,870	8,774	115,987	4,951	17,416	12,823	35,190	
85	SFY13	8,494	8,136	117,899	4,086	17,677	12,942	34,705	
86	SFY14	7,449	7,835	113,331	3,821	17,765	13,342	34,927	
87									
88	Source of Data								
89	Column								
90	B	Office of Research & Analysis, C							
91	C	Budget Document							
92	D	Budget Document							
93	E-H	DCSS Caseload (Month End Actual from NECSES)							
94									
95	Note	* Effective 3/1/12, SSI or SSP is considered when determining FANF							
96		eligibility. Those child support cases no longer eligible, are now "Former"							
97		assistance cases.							
98									

	A	B	C	D	E	F	G	H	I
1	Table G								
2	Department of Health and Human Services								
3	Operating Statistics								
4	Community Mental Health Center Medicaid								
5									
6		Monthly Cost	YTD Weekly Average Cost						
7		Actual	Actual						
44	Jul-12	\$ 6,080,133	\$ 1,520,033	Medicaid Client Trending Report					
45	Aug-12	\$ 8,396,227	\$ 1,608,484	Current Date:		Note: All figures are year-to-date			
46	Sep-12	\$ 6,638,801	\$ 1,624,243	ACTUALS - YTD					
47	Oct-12	\$ 6,557,972	\$ 1,627,831	FISCAL YEAR	QTR 1	QTR 2	QTR 3	QTR 4	
48	Nov-12	\$ 8,163,038	\$ 1,628,917	2009	12,014	14,693	16,849	19,206	
49	Dec-12	\$ 6,888,680	\$ 1,643,264	2010	13,240	16,187	18,580	20,797	
50	Jan-13	\$ 5,878,659	\$ 1,613,450	2011	13,480	16,390	18,410	20,665	
51	Feb-13	\$ 6,844,750	\$ 1,624,949	2012	13,358	15,775	17,447	19,925	
52	Mar-13	\$ 9,366,958	\$ 1,656,800	2013	13,227	15,761	17,460	19,555	
53	Apr-13	\$ 9,806,502	\$ 1,730,738	2014	Data not available				
54	May-13	\$ 5,993,645	\$ 1,675,320	2015	Data not available				
55	Jun-13	\$ 6,614,944	\$ 1,673,660						
56	Jul-13	\$ 6,663,858	\$ 1,665,965	BUDGETED - YTD					
57	Aug-13	\$ 8,147,505	\$ 1,645,707	FISCAL YEAR	QTR 1	QTR 2	QTR 3	QTR 4	
58	Sep-13	\$ 6,844,233	\$ 1,665,815	2012	13,806	16,787	18,856	21,165	
59	Oct-13	\$ 6,845,837	\$ 1,676,555	2013	14,214	16,786	18,565	21,202	
60	Nov-13	\$ 8,112,072	\$ 1,664,250	2014	13,957	16,631	18,424	20,635	
61	Dec-13	\$ 5,264,639	\$ 1,610,698	2015	na	na	na	na	
62	Jan-14	\$ 3,271,442	\$ 1,456,438						
63	Feb-14	\$ 3,303,114	\$ 1,384,363	VARIANCE: BUDGETED TO ACTUAL - YTD					
64	Mar-14	\$ 2,783,850	\$ 1,313,758	FISCAL YEAR	QTR 1	QTR 2	QTR 3	QTR 4	
65	Apr-14	\$ 3,119,386	\$ 1,264,092	2013	-987	-1,025	-1,105	-1,647	
66	May-14	\$ 3,612,579	\$ 1,207,677	2014	-13,957	-16,631	-18,424	-20,635	
67	Jun-14	\$ 2,869,971	\$ 1,169,971	2015	na	na	na	na	
68	Jul-14	\$ 2,281,688	\$ 570,422						
69	Aug-14	\$ 2,781,448	\$ 562,571						
70	Sep-14	\$ 2,573,744	\$ 587,452						
71	Oct-14								
72	Nov-14								
73	Dec-14								
74	Jan-15								
75	Feb-15								
76	Mar-15								
77	Apr-15								
78	May-15								
79	Jun-15								
80	ANNUAL AVERAGE								
81	SFY11		\$ 1,752,303						
82	SFY12		\$ 1,674,791						
83	SFY13		\$ 1,673,660						
84	SFY14		\$ 1,169,971						

	A	B		C	D	E	F	G	H	I	J	K	L	M
6		Total Nursing Clients			CFI Home Health	CFI Midlevel	Other Nursing	Nursing Home Beds		Pct in NF	APS Clients Assmnts	APS Cases Ongoing	SSBG AIHC Waitlist	Total SSE AIHC
7		Actual	Budget				Note 1	3 mo. Avg	Budget					
8														
44	Jul-12	7,225	7,578		2,401	444	34	4,380	4,422	60.6%	238	1,096	9	
45	Aug-12	7,448	7,578		2,468	471	39	4,509	4,422	60.5%	251	1,087	5	
46	Sep-12	7,281	7,578		2,454	462	37	4,365	4,422	60.0%	209	1,092	6	518
47	Oct-12	7,293	7,578		2,475	464	35	4,354	4,422	59.7%	243	1,137	1	
48	Nov-12	7,254	7,578		2,478	482	34	4,294	4,422	59.2%	200	1,203	1	
49	Dec-12	7,253	7,578		2,433	484	35	4,336	4,422	59.8%	178	1,186	1	635
50	Jan-13	7,194	7,578		2,421	461	37	4,312	4,422	59.9%	255	1,201	1	
51	Feb-13	7,092	7,578		2,415	443	33	4,234	4,422	59.7%	159	1,202	1	
52	Mar-13	7,052	7,578		2,487	438	38	4,127	4,422	58.5%	220	1,196	1	705
53	Apr-13	6,658	7,578		2,390	238	9	4,030	4,422	60.5%	205	1,228	1	
54	May-13	7,037	7,578		2,511	362	11	4,164	4,422	59.2%	174	1,206	1	
55	Jun-13	7,038	7,578		2,405	421	10	4,212	4,422	59.8%	194	1,224	1	769
56	Jul-13	7,153	7,356		2,452	421	72	4,280	4,380	59.8%	276	1,230	1	
57	Aug-13	7,284	7,356		2,532	439	25	4,313	4,380	59.2%	263	1,225	1	
58	Sep-13	7,145	7,356		2,480	449	20	4,216	4,380	59.0%	264	1,247	1	474
59	Oct-13	7,290	7,356		2,435	459	24	4,396	4,380	60.3%	291	1,255	1	
60	Nov-13	7,264	7,356		2,422	488	36	4,354	4,380	59.9%	224	1,242	6	
61	Dec-13	7,342	7,356		2,417	454	27	4,471	4,380	60.9%	255	1,267	3	573
62	Jan-14	7,265	7,356		2,428	481	27	4,356	4,380	60.0%	319	1,269	3	
63	Feb-14	7,041	7,356		2,372	449	37	4,220	4,380	59.9%	258	1,270	0	
64	Mar-14	7,121	7,356		2,366	455	27	4,300	4,380	60.4%	283	1,266	0	652
65	Apr-14	7,125	7,356		2,317	493	24	4,315	4,380	60.6%	298	1,238	0	
66	May-14	7,439	7,356		2,418	477	24	4,544	4,380	61.1%	312	1,265	0	
67	Jun-14	7,271	7,356		2,356	475	32	4,440	4,380	61.1%	282	1,216	0	675

	A	B	C	D	E	F	G	H	I	J
1	Operating Statistics									
2	Developmental Services Long Term Care									
3										
5		BDS Programs served FYTD**	- FYTD Unduplicated Count	Early Supports & Services	Special Medical Services	Partners in Health Program	Devl. Serv. Priority #1 DD Waitlist	Devl. Serv. ABD Waitlist		Medicaid to Schools Enrollment
6					(8-09 to 8-12 Actual)	(8-09 to 8-12 Actual)	Actual*	Actual*		
42	Jul-12	9,742	7,055	1,891	1,689	998	123	0		
43	Aug-12	10,324	7,590	2,083	1,738	996	123	0		
44	Sep-12	11,000	8,156	2,288	1,814	1,030	154	0		
45	Oct-12	11,701	8,774	2,601	1,876	1,051	169	0		
46	Nov-12	12,207	9,209	2,861	1,935	1,063	172	0		
47	Dec-12	12,562	9,502	3,033	1,980	1,080	190	0		
48	Jan-13	13,217	10,065	3,255	2,063	1,089	219	0		
49	Feb-13	13,660	10,438	3,521	2,123	1,099	225	1		
50	Mar-13	14,057	10,694	3,706	2,253	1,110	242	3		
51	Apr-13	14,460	10,992	3,925	2,342	1,126	240	1		
52	May-13	14,863	11,289	4,132	2,430	1,144	265	4		
53	Jun-13	15,205	11,580	4,323	2,460	1,165	288	8		
54	Jul-13	8,995	6,364	1,865	1,646	985	373	15		
55	Aug-13	10,041	7,291	2,074	1,755	995	186	5		
56	Sep-13	10,978	8,160	2,381	1,813	1,005	103	6		
57	Oct-13	11,573	8,648	2,618	1,903	1,022	108	10		
58	Nov-13	12,129	9,122	2,978	1,963	1,044	116	12		
59	Dec-13	12,764	9,658	3,231	2,047	1,059	51	16		
60	Jan-14	13,265	10,043	3,404	2,142	1,080	40	14		
61	Feb-14	13,712	10,409	3,640	2,208	1,095	59	16		
62	Mar-14	14,174	10,730	3,863	2,325	1,119	69	18		
63	Apr-14	14,702	11,093	4,112	2,464	1,145	81	17		
64	May-14	15,144	11,488	4,383	2,508	1,148	10	0		
65	Jun-14	15,525	11,742	4,577	2,614	1,169	79	19		
66	Jul-14	9,996	7,049	1,810	1,979	968	86	0		
67	Aug-14	10,721	7,697	2,152	2,040	984	95	0		
68	Sep-14	11,675	8,467	2,545	2,212	996	120	3		
69	Oct-14									
70	Nov-14									
71	Dec-14									
72	Jan-15									
73	Feb-15									
74	Mar-15									
75	Apr-15									
76	May-15									
77	Jun-15									
78	ANNUAL AVERAGE									
79	SFY11	12,718	9,873	2,125	1,701	1,144	22	0		
80	SFY12	12,373	9,568	3,160	1,744	1,061	64	4		
81	SFY13	12,750	9,612	3,135	2,059	1,079	201	1		
82	SFY14	12,750	9,562	3,261	2,116	1,072	106	12		
83										
84	Data Sources:	NHLeads	NHLeads	NHLeads	SMSdb	PIHdb	Registry	Registry		
85										
87	*G & *H	Represent the number of individuals waiting at least 90-days for DD or ABD Waiver funding.								
88	**	BDS count excludes MTS Students served								
89	E & F	Represents year-to-date total number served								

	A	B	C	D	E	F	G	H
1	Table I							
2	Department of Health and Human Services							
3	Operating Statistics							
4	Shelter & Institutions							
5								
6		NHH				BHHS		Glenclyff
7		APS & APC Census	APS & APC Admissions	THS Census	All Shelters		% of	GH Census
8		Actual	Actual	Actual	Capacity	Actual	Capacity	Actual
9								
46	Jul-12	145	161	n/a				118
47	Aug-12	149	193	n/a				118
48	Sep-12	151	162	n/a				119
49	Oct-12	150	178	n/a				119
50	Nov-12	150	161	n/a				117
51	Dec-12	150	125	n/a				117
52	Jan-13	161	173	n/a				117
53	Feb-13	164	135	n/a				118
54	Mar-13	155	149	n/a				119
55	Apr-13	152	173	n/a				119
56	May-13	148	187	n/a				118
57	Jun-13	155	175	n/a				119
58	Jul-13	155	187	n/a				117
59	Aug-13	161	164	n/a				116
60	Sep-13	163	165	n/a				115
61	Oct-13	161	184	n/a				116
62	Nov-13	164	149	n/a				119
63	Dec-13	151	144	n/a				118
64	Jan-14	160	190	n/a				118
65	Feb-14	161	165	n/a				116
66	Mar-14	160	181	n/a				118
67	Apr-14	163	193	n/a				118
68	May-14	164	184	n/a				116
69	Jun-14	162	164	n/a				114
70	Jul-14	141	153	n/a	13,826	11,737	85%	116
71	Aug-14	135	142	n/a	13,826	12,121	88%	118
72	Sep-14	145	173	n/a	13,380	11,625	87%	118
73	Oct-14			n/a				117
74	Nov-14			n/a				
75	Dec-14			n/a				
76	Jan-15			n/a				
77	Feb-15			n/a				
78	Mar-15			n/a				
79	Apr-15			n/a				
80	May-15			n/a				
81	Jun-15			n/a				
82	ANNUAL AVERAGE							
83	SFY11	151	192	42	10,971	9,159	83%	111
84	SFY12	148	197	39	11,095	10,551	95%	116
85	SFY13	153	164	n/a	#DIV/0!	#DIV/0!	#DIV/0!	118
86	SFY14	160	173	n/a	#DIV/0!	#DIV/0!	#DIV/0!	117
87								
88	Source of Data							
89	Column							
90	B	Daily in-house midnight census averaged per month*						
91	C	Daily census report of admissions totalied per month						
92	D	Daily in-house midnight census averaged per month						
93	E	Total number of individual bednights available in emergency shelters						
94	F	Total number of individual bednights utilized in emergency shelters						
95	G	Percentage of individual bednights utilized during month						
96	H	Total number of family bednights available in emergency shelters						
97	I	Total number of family bednights utilized in emergency shelters						
98	J	Percentage of family bednights utilized during month						
99	K	Daily in-house midnight census averaged per month						
100								
101		* July 2014 average Census no longer reflects Pts on Leave						

	A	B	C	E	H	I	J	K
1	Table J							
2	Medicaid Medical Caseloads (Persons)							
3								
4	Enrollment as of	12/30/13	1/31/14	3/31/14	6/30/14	7/31/14	8/31/14	9/30/14
5								
6	1. Low-Income Children (Age 0-18)	82,129	85,335	88,064	88,961	89,392	89,269	89,702
7	2. Children With Severe Disabilities (Age 0-18)	1,604	1,653	1,680	1,670	1,616	1,636	1,619
8	3. Foster Care & Adoption Subsidy (Age 0-25)	1,948	1,966	2,003	2,004	2,015	2,020	2,048
9	4. Low-Income Parents (Age 19-64)	10,324	11,604	12,955	13,976	14,274	12,898	13,287
10	5. Low-Income Pregnant Women (Age 19+)	2,275	2,789	3,051	3,246	3,238	2,832	2,846
11	6. Adults With Disabilities (Age 19-64)	19,997	20,075	19,961	20,222	20,757	19,991	19,830
12	7. Elderly & Elderly With Disabilities (Age 65+)	8,828	8,802	8,779	8,822	8,848	8,809	8,771
13	8. BCCP (Age 19-64)	205	204	200	204	200	199	194
14	9. NH Health Protection Program (Age 19-64)						13,166	18,617
15	Total By Category	127,310	132,428	136,693	139,105	140,340	150,820	156,914
16	Reconciling Differences (Detail to Summary)	(405)	(394)	122	0	(459)	0	(1)
17	Reported On Summary	126,905	132,034	136,815	139,105	139,881	150,820	156,913
18	ENROLLMENT IN MEDICAID CARE MANAGEMENT							
19								
20	Enrollment as of	1/1/14	2/1/14	4/1/14	7/1/14	8/1/14	9/1/14	10/1/2014
21								
22	Enrolled in Care Management	108,206	111,151	116,299	120,915	120,946	126,938	133,716
23	Enrolled in Fee-For-Service	25,186	22,772	17,708	15,549	15,822	21,481	22,090
24	Total	133,392	133,923	134,007	136,464	136,768	148,419	155,806
25								
26		(6,082)	(1,495)	2,686	2,641	3,572	2,401	1,108
27	<p>Figures by category versus figures by coverage are taken from two points in time. Medicaid Care Management is first of the month and the some people drop off during the month and go into Fee-For-Service. FFS is end of the month and builds during the month to include the spend down clients excluded from MCM. The early data points are switched because the MCM data includes retroactive FFS enrollment for those earlier months.</p>							

Table K																			
Department of Health and Human Services																			
Caseloads Versus Prior Year & Prior Month																			
		Unduplicated Persons			Medicaid Persons			Long Term Care-Seniors			FANF Persons			APTD Persons			SNAP Persons		
		Actual	Vs PY	Vs Pmo	Actual	Vs PY	Vs Pmo	Actual	Vs PY	Vs Pmo	Actual	Vs PY	Vs Pmo	Actual	Vs PY	Vs Pmo	Actual	Vs PY	Vs Pmo
56	Jul-12	156,637	1.8%	0.4%	129,569	Eff. 7/1/12 CHIP included		7,225	1.2%	-2.0%	8,690	-27.9%	-1.0%	8,405	-6.9%	-1.3%	117,625	3.2%	-0.1%
57	Aug-12	156,966	2.1%	0.2%	129,951	n/a	0.3%	7,448	3.5%	3.1%	8,793	-26.6%	1.2%	8,296	-6.8%	-1.3%	114,916	0.6%	-2.3%
58	Sep-12	156,144	1.4%	-0.5%	129,479	n/a	-0.4%	7,281	1.5%	-2.2%	8,657	-27.9%	-1.5%	8,218	-7.3%	-0.9%	117,569	2.8%	2.3%
59	Oct-12	157,243	2.1%	0.7%	130,393	n/a	0.7%	7,293	3.4%	0.2%	8,704	-26.0%	0.5%	8,216	-6.6%	0.0%	119,101	3.8%	1.3%
60	Nov-12	157,170	2.4%	0.0%	130,110	n/a	-0.2%	7,254	3.1%	-0.5%	8,599	-26.3%	-1.2%	8,181	-7.6%	-0.4%	118,992	4.0%	-0.1%
61	Dec-12	156,588	1.4%	-0.4%	130,001	n/a	-0.1%	7,253	1.7%	0.0%	8,493	-27.9%	-1.2%	8,164	-9.3%	-0.2%	118,817	2.7%	-0.1%
62	Jan-13	157,348	1.7%	0.5%	130,239	n/a	0.2%	7,194	0.1%	-0.8%	8,559	-27.3%	0.8%	8,115	-8.1%	-0.6%	120,153	2.7%	1.1%
63	Feb-13	154,386	-0.6%	-1.9%	129,200	n/a	-0.8%	7,092	-3.0%	-1.4%	8,538	-26.6%	-0.2%	8,059	-8.3%	-0.7%	117,654	0.3%	-2.1%
64	Mar-13	154,504	-0.6%	0.1%	129,413	n/a	0.2%	7,052	-6.2%	-0.6%	8,378	-9.0%	-1.9%	8,011	-6.8%	-0.6%	117,409	0.1%	-0.2%
65	Apr-13	154,159	-1.0%	-0.2%	129,346	n/a	-0.1%	n/a			8,337	-6.8%	-0.5%	8,011	-6.8%	0.0%	117,147	-0.3%	-0.2%
66	May-13	153,625	-1.4%	-0.3%	129,598	n/a	0.2%	7,037	-4.2%		8,169	-7.7%	-2.0%	8,001	-6.3%	-0.1%	119,317	1.3%	1.9%
67	Jun-13	153,197	-1.8%	-0.3%	129,353	n/a	-0.2%	7,038	-4.6%	0.0%	8,005	-8.8%	-2.0%	7,951	-6.7%	-0.6%	116,087	-1.4%	-2.7%
68	Jul-13	153,075	-2.3%	-0.1%	129,255	-0.2%	-0.1%	7,153	-1.0%	1.6%	7,926	-8.8%	-1.0%	7,962	-5.3%	0.1%	115,691	-1.6%	-0.3%
69	Aug-13	153,065	-2.5%	0.0%	129,063	-0.7%	-0.1%	7,284	-2.2%	1.8%	7,922	-9.9%	-0.1%	7,955	-4.1%	-0.1%	115,499	0.5%	-0.2%
70	Sep-13	152,338	-2.4%	-0.5%	128,364	-0.9%	-0.5%	7,145	-1.9%	-1.9%	7,709	-11.0%	-2.7%	7,889	-4.0%	-0.8%	114,725	-2.4%	-0.7%
71	Oct-13	152,132	-3.3%	-0.1%	128,276	-1.6%	-0.1%	7,290	0.0%	2.0%	7,609	-12.6%	-1.3%	7,945	-3.3%	0.7%	114,915	-3.5%	0.2%
72	Nov-13	150,798	-4.1%	-0.9%	127,359	-2.1%	-0.7%	7,264	0.1%	-0.4%	7,449	-13.4%	-2.1%	7,882	-3.7%	-0.8%	113,514	-4.6%	-1.2%
73	Dec-13	150,372	-4.0%	-0.3%	126,905	-2.4%	-0.4%	7,342	1.2%	1.1%	7,334	-13.6%	-1.5%	7,820	-4.2%	-0.8%	112,908	-5.0%	-0.5%
74	Jan-14	154,862	-1.6%	3.0%	132,034	1.4%	4.0%	7,265	1.0%	-1.0%	7,330	-14.4%	-0.1%	7,834	-3.5%	0.2%	113,326	-5.7%	0.4%
75	Feb-14	157,397	2.0%	1.6%	134,728	4.3%	2.0%	7,041	-0.7%	-3.1%	7,353	-13.9%	0.3%	7,803	-3.2%	-0.4%	112,791	-4.1%	-0.5%
76	Mar-14	159,213	3.0%	1.2%	136,815	5.7%	1.5%	7,121	1.0%	1.1%	7,242	-13.6%	-1.5%	7,704	-3.8%	-1.3%	112,511	-4.2%	-0.2%
77	Apr-14	160,682	4.2%	0.9%	138,157	6.8%	1.0%	7,125	n/a	0.1%	7,277	-12.7%	0.5%	7,727	-3.5%	0.3%	112,144	-4.3%	-0.3%
78	May-14	161,647	5.2%	0.6%	138,562	6.9%	0.3%	7,439	5.7%	4.4%	7,119	-12.9%	-2.2%	7,751	-3.1%	0.3%	111,362	-6.7%	-0.7%
79	Jun-14	162,897	6.3%	0.8%	139,105	7.5%	0.4%	7,271	3.3%	-2.3%	7,116	-11.1%	0.0%	7,745	-2.6%	-0.1%	110,590	-4.7%	-0.7%
80	Jul-14	163,903	7.1%	0.6%	139,881	8.2%	0.6%	7,337	2.6%	0.9%	7,085	-10.6%	-0.4%	7,741	-2.8%	-0.1%	109,239	-5.6%	-1.2%
81	Aug-14	171,328	11.9%	4.5%	150,820	16.9%	7.8%	7,094	-2.6%	-3.3%	6,871	-13.3%	-3.0%	7,727	-2.9%	-0.2%	108,767	-5.8%	-0.4%
82	Sep-14	176,192	15.7%	2.8%	156,913	22.2%	4.0%	7,088	-0.8%	-0.1%	6,767	-12.2%	-1.5%	7,679	-2.7%	-0.6%	108,434	-5.5%	-0.3%
83	Oct-14																		
84	Nov-14																		
85	Dec-14																		
86	Jan-15																		
87	Feb-15																		
88	Mar-15																		
89	Apr-15																		
90	May-15																		
91	Jun-15																		
92	ANNUAL AVERAGE																		
93	SFY10	145,949			117,025			7,288			14,098			8,284			99,219		
94	SFY11	152,821	4.7%		119,612	2.2%		7,188	-1.4%		13,696	-2.8%		8,794	6.2%		112,302	13.2%	
95	SFY12	154,715	1.2%		119,832	0.2%		7,237	0.7%		10,870	-20.6%		8,778	-0.2%		115,987	3.3%	
96	SFY13	155,664	0.6%		129,721	n/a		7,197	-0.5%		8,494	-21.9%		8,136	-7.3%		117,899	1.6%	
97	SFY14	155,707	0.0%		132,385	2.1%		7,228	0.4%		7,449	-12.3%		7,835	-3.7%		113,331	-3.9%	
98																			

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	DATA TABLES FOR CHARTS																
2																	
3	Caseloads Vs Unemployment			Caseloads-Actual					Personnel Vacancy Rate								
4		NH Unempl. Rate	Unduplicated Persons		FANF Persons Actual	APTD Actual	Medicaid Persons Actual			Authorized	Filled	Vacant	PCT		Caseload	Staff	
5																	
55	Jul-11	5.2%	153,928		Jul-11	12,046	9,031	119,814		Jul-11	2,995	2,764	231	7.7%	Jul-11	153,928	2,764
56	Aug-11	5.3%	153,803		Aug-11	11,980	8,905	119,628		Aug-11	2,995	2,767	228	7.6%		153,803	2,767
57	Sep-11	5.4%	154,055		Sep-11	12,014	8,864	119,916		Sep-11	2,995	2,774	221	7.4%		154,055	2,774
58	Oct-11	5.3%	153,942		Oct-11	11,756	8,783	119,437		Oct-11	2,997	2,759	238	7.9%	Oct-11	153,942	2,759
59	Nov-11	5.2%	153,484		Nov-11	11,668	8,854	118,901		Nov-11	2,997	2,753	244	8.1%		153,484	2,753
60	Dec-11	5.2%	154,470		Dec-11	11,787	9,006	119,626		Dec-11	2,898	2,672	226	7.8%		154,470	2,672
61	Jan-12	5.2%	154,765		Jan-12	11,781	8,834	119,338		Jan-12	2,898	2,699	199	6.9%	Jan-12	154,765	2,699
62	Feb-12	5.2%	155,274		Feb-12	11,628	8,792	119,553		Feb-12	2,898	2,686	212	7.3%		155,274	2,686
63	Mar-12	5.2%	155,424		Mar-12	9,202	8,600	120,362		Mar-12	2,898	2,694	204	7.0%		155,424	2,694
64	Apr-12	5.0%	155,639		Apr-12	8,950	8,595	120,538		Apr-12	2,898	2,687	211	7.3%	Apr-12	155,639	2,687
65	May-12	5.0%	155,789		May-12	8,853	8,541	120,520		May-12	2,898	2,674	224	7.7%		155,789	2,674
66	Jun-12	5.1%	156,002		Jun-12	8,774	8,518	120,335		Jun-12	2,897	2,671	226	7.8%		156,002	2,671
67	Jul-12	5.4%	156,637		Jul-12	8,690	8,405	126,569		Jul-12	2,897	2,660	237	8.2%	Jul-12	156,637	2,660
68	Aug-12	5.7%	156,966		Aug-12	8,793	8,296	129,951		Aug-12	2,897	2,643	254	8.8%		156,966	2,643
69	Sep-12	5.7%	156,144		Sep-12	8,657	8,218	129,479		Sep-12	2,897	2,640	257	8.9%		156,144	2,640
70	Oct-12	5.7%	157,243		Oct-12	8,704	8,216	130,393		Oct-12	2,897	2,641	256	8.8%	Oct-12	157,243	2,641
71	Nov-12	5.6%	157,170		Nov-12	8,599	8,181	130,110		Nov-12	2,897	2,636	261	9.0%		157,170	2,636
72	Dec-12	5.7%	156,588		Dec-12	8,493	8,164	130,001		Dec-12	2,897	2,633	264	9.1%		156,588	2,633
73	Jan-13	5.8%	157,348		Jan-13	8,559	8,115	130,239		Jan-13	2,898	2,619	279	9.6%	Jan-13	157,348	2,619
74	Feb-13	5.8%	154,386		Feb-13	8,538	8,059	129,200		Feb-13	2,898	2,625	273	9.4%		154,386	2,625
75	Mar-13	5.7%	154,504		Mar-13	8,378	8,011	129,413		Mar- Est	2,900	2,615	285	9.8%		154,504	2,615
76	Apr-13	5.5%	154,159		Apr-13	8,337	8,011	129,346		Apr- Est	2,900	2,610	290	10.0%	Apr-13	154,159	2,610
77	May-13	5.3%	153,625		May-13	8,169	8,001	129,598		May- Est	2,900	2,605	295	10.2%		153,625	2,605
78	Jun-13	5.2%	153,197		Jun-13	8,005	7,951	129,353		Jun-13	2,888	2,600	288	10.0%		153,197	2,600
79	Jul-13	5.1%	153,075		Jul-13	7,926	7,962	129,255		Jul-13	2,898	2,596	302	10.4%	Jul-13	153,075	2,596
80	Aug-13	5.0%	153,065		Aug-13	7,922	7,955	129,063		Aug-13	2,898	2,590	308	10.6%		153,065	2,590
81	Sep-13	5.1%	152,338		Sep-13	7,709	7,889	128,364		Sep-13	2,898	2,584	314	10.8%		152,338	2,584
82	Oct-13	5.1%	152,132		Oct-13	7,609	7,945	128,276		Oct-13	2,897	2,579	318	11.0%	Oct-13	152,132	2,579
83	Nov-13	5.1%	150,798		Nov-13	7,449	7,882	127,359		Nov-13	2,897	2,588	309	10.7%		150,798	2,588
84	Dec-13	5.1%	150,372		Dec-13	7,334	7,820	126,905		Dec-13	2,897	2,588	309	10.7%		150,372	2,588
85	Jan-14	4.7%	154,862		Jan-14	8,209	7,834	132,034		Jan-14	2,897	2,585	312	10.8%	Jan-14	154,862	2,585
86	Feb-14	4.7%	157,397		Feb-14	8,274	7,803	134,728		Feb-14	2,897	2,585	312	10.8%		157,397	2,585
87	Mar-14	4.5%	159,213		Mar-14	7,242	7,704	136,815		Mar-14	2,897	2,589	308	10.6%		159,213	2,589
88	Apr-14	4.4%	160,682		Apr-14	7,277	7,727	168,157		Apr-14	2,897	2,600	297	10.3%	Apr-14	160,682	2,600
89	May-14	4.4%	161,647		May-14	7,119	7,751	139,395		May-14	2,897	2,591	306	10.6%		161,647	2,591
90	Jun-14	4.4%	162,897		Jun-14	7,116	7,745	139,105		Jun-14	2,897	2,606	291	10.0%		162,897	2,606
91	Jul-14	4.4%	163,903		Jul-14	7,085	7,741	139,881		Jul-14	2,895	2,628	267	9.2%	Jul-14	163,903	2,628
92	Aug-14	4.4%	171,328		Aug-14	6,871	7,727	150,820		Aug-14	2,895	2,613	282	9.7%		171,328	2,613
93	Sep-14		176,192		Sep-14	6,767	7,679	156,913		Sep-14	2,895	2,597	298	10.3%		176,192	2,597
94	Oct-14				Oct-14					Oct-14					Oct-14		
95	Nov-14				Nov-14					Nov-14							
96	Dec-14				Dec-14					Dec-14							
97	Jan-15				Jan-15					Jan-15					Jan-15		
98	Feb-15				Feb-15					Feb-15							
99	Mar-15				Mar-15					Mar-15							
100	Apr-15				Apr-15					Apr-15					Apr-15		
101	May-15				May-15					May-15							
102	Jun-15				Jun-15					Jun-15							

Sum (2)

FIS 14 205



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

Nicholas A. Toumpas
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 1-800-852-3345 Ext. 9200
Fax: 603-271-4912 TDD Access: 1-800-735-2964

October 16, 2014

Representative Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Information

This letter contains a report of expenditures for the Child and Family Services and Child Development (child care) Program for July 2014 through September 2014 (SFY 2015) with similar expenditure information for the comparable period in SFY 2013 and 2014.

Explanation

Previously Chapter 263:109, Laws of 2007 (HB2), Rate Setting, required the Department to report quarterly on the status of appropriations for payments to providers and the rates established by the Department. While this provision is no longer required, the Department will continue to report quarterly as the information is helpful to legislative and executive leaders in understanding Child and Family Services and Child Development (child care) program expenditure trends.

This report for SFY 2015, first quarter, includes the current state fiscal year and the most recent two state fiscal years. The report format follows the individual class line budgets in the Division for Children, Youth and Families', Child and Family Services account and the Child Development (child care) Program account.

The Department is available to review this report at your convenience. Please do not hesitate to contact me if you have questions or need additional information about the expenditures.

Respectfully submitted

Nicholas A. Toumpas
Commissioner

cc: Her Excellency, Governor Margaret Wood Hassan
The Honorable Chuck Morse, President of the Senate
The Honorable Terie Norelli, Speaker of the House

Attachments (2)

	A	B	C	D	E	F	G	H	I	J	K
1	SFY 2013-2015 First Quarter Expenses and Clients Served for Child Care										
2											
3	Accounting Code: 05-95-40-403510-61480000 SFY13										
4	Accounting Code: 05-95-42-421110-29770000 SFY14 and SFY15										
5											
6	Class										
7	564	Protective Child Care									
8		SFY13			SFY14			SFY15			
9	Month	Expenses	Children Served	Cost per Child	Expenses	Children Served	Cost per Child	Expenses	Children Served	Cost per Child	
10											
11	July	\$ 71,998	164	\$ 439	\$ 74,435	162	\$ 459	\$ 81,315	161	\$ 505	
12	August	\$ 75,474	158	\$ 478	\$ 74,897	141	\$ 531	\$ 71,426	152	\$ 470	
13	September	\$ 70,689	169	\$ 418	\$ 65,609	171	\$ 384	\$ 61,265	153	\$ 400	
14	Totals	\$ 218,161	491	\$ 444	\$ 214,941	474	\$ 453	\$ 214,005	466	\$ 459	
15											
16	564	Preventive Child Care									
17		SFY13			SFY14			SFY15			
18	Month	Expenses	Children Served	Cost per Child	Expenses	Children Served	Cost per Child	Expenses	Children Served	Cost per Child	
19											
20	July	\$ 37,699	91	\$ 414	\$ 25,392	61	\$ 416	\$ 29,125	62	\$ 470	
21	August	\$ 46,270	94	\$ 492	\$ 32,916	60	\$ 549	\$ 29,716	61	\$ 487	
22	September	\$ 36,125	87	\$ 415	\$ 23,563	62	\$ 380	\$ 22,355	54	\$ 414	
23	Totals	\$ 120,094	272	\$ 442	\$ 81,871	183	\$ 447	\$ 81,196	177	\$ 459	
24											
25	536	Employment Related Child Care									
26		SFY13			SFY14			SFY15			
27	Month	Expenses	Children Served	Cost per Child	Expenses	Children Served	Cost per Child	Expenses	Children Served	Cost per Child	
28											
29	July	\$ 2,293,838	5,173	\$ 443	\$ 2,621,350	5,568	\$ 471	\$ 2,753,363	5,742	\$ 480	
30	August	\$ 2,314,670	5,219	\$ 444	\$ 2,399,287	5,517	\$ 435	\$ 2,384,915	5,626	\$ 424	
31	September	\$ 1,893,149	5,050	\$ 375	\$ 2,013,460	5,345	\$ 377	\$ 2,276,348	5,543	\$ 411	
32	Totals	\$ 6,501,657	15,442	\$ 421	\$ 7,034,097	16,430	\$ 428	\$ 7,414,627	16,911	\$ 438	

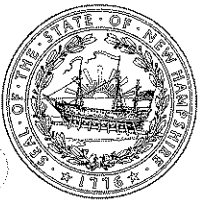
SFY 15 First Quarter Report for the Child and Family Services Account

Class	Class Description	Services	SFY 2013			SFY 2014			SFY 2015		
			Expenditures	# of Clients	Cost Per Client	Expenditures	# of Clients	Cost Per Client	Expenditures	# of Clients	Cost Per Client
101	Med. Pay. to Providers	Clinics/Groups	\$ 14,025	81	\$ 173	\$ 10,510	72	\$ 146	\$ 9,418	60	\$ 157
		Dental	\$ -	0	N/A	\$ -	0	N/A	\$ 308	1	\$ 308
		Hospitals	\$ 579	1	\$ 579	\$ -	0	N/A	\$ 238	1	\$ 238
		Pharmacy	\$ -	0	N/A	\$ 299	1	\$ 299	\$ -	0	N/A
		Physicians' Services	\$ 41,436	7	\$ 5,919	\$ 21,388	3	\$ 7,129	\$ 33,053	3	\$ 11,018
		Subtotal	\$ 56,040			\$ 32,197			\$ 43,017		
108	Provider Payments-Legal	Attorney	\$ 5,674	16	\$ 355	\$ 13,012	26	\$ 500	\$ 23,261	51	\$ 456
		Guardian ad Litem	\$ 3,991	5	\$ 798	\$ 4,265	6	\$ 711	\$ 5,782	8	\$ 723
		Subtotal	\$ 9,665			\$ 17,277			\$ 29,043		
533	Foster Care Services	Accompanied Transportation	\$ 33,291	90	\$ 370	\$ 20,140	61	\$ 330	\$ 17,970	56	\$ 321
		Adoptive History Report	\$ 7,380	16	\$ 461	\$ 6,198	12	\$ 516	\$ 7,687	20	\$ 384
		Alchl/Drug Abuse Ind Outpatient Counsl	\$ -	0	N/A	\$ 702	1	\$ 702	\$ 210	1	\$ 210
		Child Health Support	\$ 9,888	13	\$ 761	\$ 10,034	13	\$ 772	\$ 5,291	4	\$ 1,323
		Clinics/Groups	\$ 343	3	\$ 114	\$ 915	10	\$ 92	\$ 861	11	\$ 78
		Crisis Home Bed	\$ 477	3	\$ 159	\$ 835	5	\$ 167	\$ 557	3	\$ 186
		Crisis Intervention	\$ -	0	N/A	\$ -	0	N/A	\$ 150	1	\$ 150
		Diagnostic Evaluation	\$ 72	1	\$ 72	\$ 3,729	5	\$ 746	\$ 867	1	\$ 867
		Educational Trans or Parent/Child Visit	\$ 31,751	44	\$ 722	\$ 35,114	43	\$ 817	\$ 27,373	32	\$ 855
		Emergency Bed	\$ 3,155	14	\$ 225	\$ 979	4	\$ 245	\$ 1,578	7	\$ 225
		General Foster Home	\$ 536,164	429	\$ 1,250	\$ 426,510	399	\$ 1,069	\$ 460,398	362	\$ 1,272
		Group Outpatient Counseling	\$ 446	1	\$ 446	\$ 149	1	\$ 149	\$ -	0	N/A
		Home Based Therapeutic Services	\$ 232,597	91	\$ 2,556	\$ 124,842	60	\$ 2,081	\$ 111,914	46	\$ 2,433
		Individual Outpatient Counseling	\$ 6,635	20	\$ 332	\$ 4,664	13	\$ 359	\$ 722	3	\$ 241
		Individualized Placement	\$ 49	1	\$ 49	\$ -	0	N/A	\$ -	0	N/A
		Intensive Group Home/Ed Fac (Level 3)	\$ 1,106,318	246	\$ 4,497	\$ 1,057,828	211	\$ 5,013	\$ 1,146,873	207	\$ 5,540
		Intermediate Group Home - (Level 2)	\$ 294,637	98	\$ 3,006	\$ 229,895	90	\$ 2,554	\$ 213,462	67	\$ 3,186
		ISO - In Home	\$ 388,836	82	\$ 4,742	\$ 284,935	64	\$ 4,452	\$ 283,779	61	\$ 4,652
		ISO Daily Rate	\$ 187,884	66	\$ 2,847	\$ 182,766	60	\$ 3,046	\$ 204,264	61	\$ 3,349
		License Exempt Facility	\$ 180	1	\$ 180	\$ 211	1	\$ 211	\$ 238	1	\$ 238
License Exempt Family, Friend, Neighbor	\$ 1,367	3	\$ 456	\$ 2,820	6	\$ 470	\$ 3,461	7	\$ 494		
Licensed Family Home	\$ 9,148	12	\$ 762	\$ 7,839	11	\$ 713	\$ 4,671	4	\$ 1,168		
Licensed Center	\$ 88,336	77	\$ 1,147	\$ 77,105	64	\$ 1,205	\$ 59,198	65	\$ 911		
Out of Home 1 on 1 Aide	\$ -	0	N/A	\$ -	0	N/A	\$ 23,152	1	\$ 23,152		
Outreach and Tracking	\$ 69,834	41	\$ 1,703	\$ 25,041	19	\$ 1,318	\$ 31,339	31	\$ 1,011		
Physician's Services	\$ 1,993	1	\$ 1,993	\$ -	0	N/A	\$ 12,696	1	\$ 12,696		
Public Transportation	\$ 2,641	3	\$ 880	\$ 745	1	\$ 745	\$ 1,120	2	\$ 560		
Relative Home	\$ -	0	N/A	\$ 2,671	2	\$ 1,336	\$ -	0	N/A		

SFY 15 First Quarter Report for the Child and Family Services Account											
Class	Class Description	Services	SFY 2013			SFY 2014			SFY 2015		
			Expenditures	# of Clients	Cost Per Client	Expenditures	# of Clients	Cost Per Client	Expenditures	# of Clients	Cost Per Client
		Residential Treatment Facility (Level 4)	\$ 25,452	7	\$ 3,636	\$ 25,657	9	\$ 2,851	\$ 21,662	4	\$ 5,415
		Shelter Care Facility	\$ 120,061	72	\$ 1,668	\$ 71,862	46	\$ 1,562	\$ 114,000	57	\$ 2,000
		Specialized Foster Home	\$ 44,276	25	\$ 1,771	\$ 7,195	9	\$ 799	\$ 13,072	9	\$ 1,452
		Supplemental Foster Home Payment	\$ -	0	N/A	\$ -	0	N/A	\$ -	0	N/A
		Therapeutic Day Treatment	\$ 50,302	12	\$ 4,192	\$ 22,449	8	\$ 2,806	\$ 14,206	6	\$ 2,368
		Subtotal	\$ 3,253,514			\$ 2,633,831			\$ 2,782,769		
534	Adoption Services	Adoption Subsidy/Child in Placement	\$ 4,199	6	\$ 700	\$ 5,818	6	\$ 970	\$ 4,024	7	\$ 575
		Adoptive Home Subsidy	\$ 1,632,728	890	\$ 1,835	\$ 1,259,488	824	\$ 1,529	\$ 1,368,607	763	\$ 1,794
		Non-recurring Adoption Expense	\$ -	0	N/A	\$ -	0	N/A	\$ -	0	N/A
		Subtotal	\$ 1,636,927			\$ 1,265,307			\$ 1,372,632		
535	Out of Home Placements	Individualized Placement	\$ 87,962	14	\$ 6,283	\$ 28,890	5	\$ 5,778	\$ 47,121	8	\$ 5,890
		Intensive Group Home/Ed Fac (Level 3)	\$ 2,666,849	321	\$ 8,308	\$ 2,580,222	302	\$ 8,544	\$ 2,944,227	293	\$ 10,049
		Intermediate Group Home - (Level 2)	\$ 530,909	115	\$ 4,617	\$ 456,785	96	\$ 4,758	\$ 438,314	81	\$ 5,411
		ISO Daily Rate	\$ 810,726	114	\$ 7,112	\$ 407,429	92	\$ 4,429	\$ 429,260	80	\$ 5,366
		Out of Home 1 on 1 Aide	\$ 58,092	6	\$ 9,682	\$ 67,850	4	\$ 16,963	\$ 119,636	7	\$ 17,091
		Relative Home	\$ 1,127	2	\$ 563	\$ -	0	N/A	\$ 2,645	1	\$ 2,645
		Residential Treatment Facility (Level 4)	\$ 45,363	8	\$ 5,670	\$ 94,552	14	\$ 6,754	\$ 23,639	5	\$ 4,728
		Shelter Care Facility	\$ 171,158	83	\$ 2,062	\$ 150,200	78	\$ 1,926	\$ 178,167	73	\$ 2,441
		Subtotal	\$ 4,372,186			\$ 3,785,928			\$ 4,183,008		
550	Assess. & Counseling	Alchl/Drug Abuse Ind Outpatient Counsl	\$ 4,810	11	\$ 437	\$ 2,888	10	\$ 289	\$ 1,330	4	\$ 333
		Diagnostic Evaluation	\$ 25,453	34	\$ 749	\$ 19,882	34	\$ 585	\$ 23,780	31	\$ 767
		Family Counseling	\$ 188	1	\$ 188	\$ 219	1	\$ 219	\$ -	0	N/A
		Group Outpatient Counseling	\$ 1,773	8	\$ 222	\$ -	0	N/A	\$ -	0	N/A
		Individual Outpatient Counseling	\$ 11,082	33	\$ 336	\$ 6,928	33	\$ 210	\$ 6,290	28	\$ 225
		Subtotal	\$ 43,306			\$ 29,918			\$ 31,400		
563	Community Based Ser.	Accompanied Transportation	\$ 25,590	57	\$ 449	\$ 39,036	66	\$ 591	\$ 29,439	49	\$ 601
		Adoption Subsidy/Child in Placement	\$ 17,210	13	\$ 1,324	\$ 14,041	13	\$ 1,080	\$ 27,980	21	\$ 1,332
		Adoptive History Report	\$ 1,927	6	\$ 321	\$ 5,453	11	\$ 496	\$ 5,366	14	\$ 383
		Adoption Home Subsidy	\$ 412,843	232	\$ 1,779	\$ 317,156	213	\$ 1,489	\$ 319,218	188	\$ 1,698
		Child Health Support	\$ 361,968	204	\$ 1,774	\$ 358,302	172	\$ 2,083	\$ 239,541	173	\$ 1,385
		Child In-Home Care	\$ -	0	N/A	\$ -	0	N/A	\$ 1,233	3	\$ 411
		Crisis Intervention	\$ -	0	N/A	\$ -	0	N/A	\$ 450	1	\$ 450
		Family Support Services	\$ 10,122	4	\$ 2,531	\$ 53,866	5	\$ 10,773	\$ 6,070	9	\$ 674
		Home Based Therapeutic Services	\$ 303,702	119	\$ 2,552	\$ 208,876	89	\$ 2,347	\$ 269,302	109	\$ 2,471
		Interpreter Services	\$ 3,880	10	\$ 388	\$ 680	3	\$ 227	\$ 400	2	\$ 200
		ISO - In Home	\$ 519,039	107	\$ 4,851	\$ 459,575	94	\$ 4,889	\$ 423,116	88	\$ 4,808

SFY 15 First Quarter Report for the Child and Family Services Account

Class	Class Description	Services	SFY 2013			SFY 2014			SFY 2015		
			Expenditures	# of Clients	Cost Per Client	Expenditures	# of Clients	Cost Per Client	Expenditures	# of Clients	Cost Per Client
		Out of Home 1 on 1 Aide	\$ 660	1	\$ 660	\$ -	0	N/A	\$ -	0	N/A
		Outreach and Tracking	\$ 7,020	12	\$ 585	\$ 25,774	14	\$ 1,841	\$ 14,815	17	\$ 871
		Public Transportation	\$ 404	2	\$ 202	\$ -	0	N/A	\$ 3,590	2	\$ 1,795
		Secure Transportation	\$ 9,560	56	\$ 171	\$ 4,981	24	\$ 208	\$ 10,211	36	\$ 284
		Therapeutic Day Treatment	\$ 12,618	4	\$ 3,155	\$ 12,025	6	\$ 2,004	\$ 6,419	5	\$ 1,284
		Subtotal	\$ 1,686,544			\$ 1,499,766			\$ 1,357,149		
TOTAL		Total	\$ 11,058,182			\$ 9,264,223			\$ 9,799,017		
Accounting Code:05-95-40-40301041-58550000 SFY13											
Accounting Code:05-95-42-421010-29580000 SFY14 and SFY15											



John T. Beardmore
Commissioner

FIS 14 206

State of New Hampshire Department of Revenue Administration

109 Pleasant Street
PO Box 457, Concord, NH 03302-0457
Telephone 603-230-5005
www.nh.gov/revenue



Kathryn E. Skouteris
Assistant Commissioner

October 28, 2014

The Honorable Mary Jane Wallner, Chair
Fiscal Committee of the General Court
Legislative Office Building
Concord, NH 03301

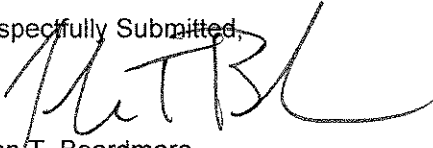
Dear Rep. Wallner and Honorable Members of the Committee:

Pursuant to Ch. 143:15, Laws of 2013, the Department of Revenue Administration (DRA) shall reduce its state general fund appropriations by \$500,000 for the fiscal year ending June 30, 2015. The DRA is required to provide a quarterly report of such reductions to the Fiscal Committee of the General Court. The purpose of this letter is to report the full \$500,000 general fund appropriation reduction for FY 2015. Accordingly, this is the first and final quarterly report to be submitted.

The DRA will reduce general fund appropriations as follows in FY 2015:

Accounting Unit	Class	Amount
13010000 – Audit Division	10	(\$151,569)
13010000 – Audit Division	60	(\$92,641)
14010000 – Collections Division	10	(\$51,051)
14010000 – Collections Division	60	(\$37,203)
15010000 – Document Processing Division	10	(\$16,222)
15010000 – Document Processing Division	60	(\$11,602)
78840000 – Administration	10	(\$20,526)
78840000 – Administration	60	(\$11,798)
54130000 – Appraisal Services	10	(\$66,385)
54130000 – Appraisal Services	60	(\$41,003)
TOTAL		(\$500,000)

Respectfully Submitted,


John T. Beardmore
Commissioner of Revenue Administration

TDD Access: Relay NH 1-800-735-2964

Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the Department.

VICE CHANCELLOR FOR FINANCIAL AFFAIRS
AND TREASURER/CFO

Dunlap Center
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Durham, NH 03824-3546
Phone: (603) 862-1620
Fax: (603) 862-0908
www.finadmin.usnh.edu

December 8, 2014

Joint Legislative Fiscal Committee
c/o Office of Legislative Budget Assistant
State of New Hampshire
State House
107 North Main Street Rom 102
Concord, NH 03301

Pursuant to RSA 187-A:25-a, enclosed please find the Annual Report for the University System of New Hampshire for fiscal year ended June 30, 2014. On page 16 of the Report you will find the Independent Auditor's Report reflecting the unqualified or 'clean opinion' issued by KPMG, our external independent auditors. The report was by presented to and accepted by the Audit Committee of the University System's' Board of Trustees on October 30, 2014. Please feel free to contact me with any questions on the Report or presentation materials.

Respectfully,



Catherine A. Provencher
Vice Chancellor for Financial Affairs and Treasurer

Attachment



University System
of New Hampshire

20
ANNUAL REPORT
14

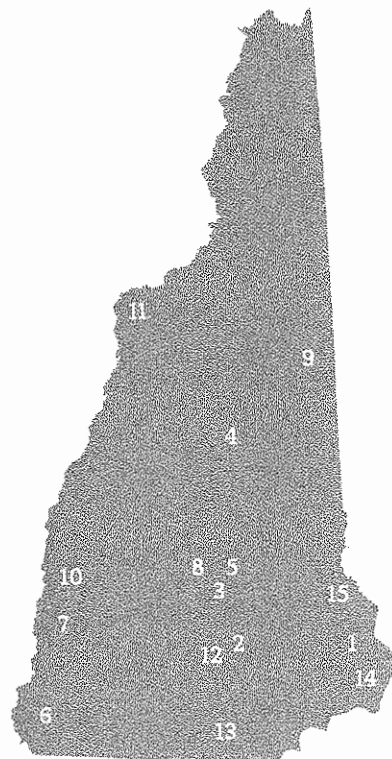
Education is key

to New Hampshire's long-term welfare, economic prosperity, and quality of life. Providing the educational programs and services through teaching, research, and public service that will be critical for New Hampshire residents and our state's future economy is at the heart of the University System of New Hampshire's mission.

The University System of New Hampshire is the state's primary supplier of highly educated citizens and workers. The four institutions of the University System—the University of New Hampshire, Plymouth State University, Keene State College, and Granite State College—annually serve approximately 34,000 students and graduate 7,000 students at the associate, bachelor's, master's, and doctoral levels. The institutions annually award more than half of the state's bachelor's degrees. In addition, more than 88,000 alumni of University System institutions currently live in New Hampshire.

FY14 Highlights

- The USNH Board of Trustees is committed to delivering a plan that would continue an in-state tuition freeze for two more years. If approved by the Legislature, it would be the first time in history that a NH student would pay the same tuition over four years.
- More than 3,200 first-year students entered UNH this fall as members of the class of 2018, including a 6 percent increase in the number of in-state students over last year.
- According to a recent U.S. Department of Education poll, Granite State College is the least expensive 4-year college in New England. "Each day, we see and experience how the average college student is challenged by expensive tuition rates - a predicament that's always a top concern for working adults. This drives students to look at affordable online institutions, like Granite State College. Being cited as the leader in affordability in the Department of Education report is recognition of our access mission," said Dr. Todd Leach, interim CEO of Granite State College.
- Keene State was accepted to partner in I'm First, an online community designed to help first-generation college students plan for and succeed in their college career. Keene State President Anne Huot discovered the I'm First program while researching resources for students. As a first-generation college graduate herself, Huot understands how intimidating and challenging it can be. Keene State College was recognized by *Business NH Magazine* for this achievement.
- A recent PSU survey found that 427 New Hampshire businesses and organizations were assisted by PSU outreach efforts in FY14. These include internships and experiential learning opportunities provided by academic departments across campus as well as contracted projects through the Center for Rural Partnerships, the Center for the Environment and the Center for Active Living and Healthy Communities.



1. University of New Hampshire, Durham
2. University of New Hampshire, Manchester
3. University of New Hampshire School of Law, Concord
4. Plymouth State University
5. Plymouth State University, Concord
6. Keene State College
7. Granite State College, Claremont
8. Granite State College, Concord
9. Granite State College, Conway
10. Granite State College, Lebanon
11. Granite State College, Littleton
12. Granite State College, Manchester
13. Granite State College, Nashua
14. Granite State College, Portsmouth
15. Granite State College, Rochester

The 2014 Annual Report is a publication of the University System of New Hampshire. Prior year University System annual reports are available online at finadmin.usnh.edu.

University System of New Hampshire, Dunlap Center, 25 Concord Road, Durham, NH 03824, 603-862-0918



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University System of New Hampshire
Board of Trustees and Administration

SEPTEMBER 2014

Dear Stakeholder:

Our state's four-year public universities and colleges are proud to offer a high quality education experience to 34,000 students each year. Our partnerships with New Hampshire's elected leaders, businesses, citizens and communities are central to the ability of University System of New Hampshire institutions to provide world-class research, critical workforce talent and outreach that support the Granite State's economy and outstanding quality of life.

The University System of New Hampshire provides a tremendous return on investment to our state. In fact, USNH is the most efficient public four-year system in New England, with less than 10-percent of our operating budget coming from state appropriations. In addition, the institutions within the University System also have the highest graduation rates of any public system in New England. Graduates of USNH institutions also have the lowest average student loan default rates of any public four-year system in the nation! That means our graduates are getting jobs and paying back their student loans.

We have a unique public higher education system in New Hampshire with four distinct institutions providing affordable access and being focused on the long-term workforce needs of the state. Through these four institutions, USNH provides local and national research; business incubation; agricultural support; high quality education in the classroom and online; and the most affordable four-year access in the region, with average tuition nearly half the price of private institutions.

Achieving these outcomes has required our institutions, and the system itself, to be highly efficient and innovative. Through our centralized shared-service model we are able to minimize operating costs and maintain a strong financial position as evidenced by our debt ratings. Recent changes, such as a shift to healthcare self-insurance, have resulted in further savings, and that drive for efficiency is a key focus for the University System.

Through our partnership with lawmakers we were able to implement a tuition freeze for our in-state students in this most recent biennium. Given that the funding provided by the state remained below 2009 funding levels, that freeze would not have been possible without efficiencies and savings at both the system and institutional level. We will continue to seek further ways to hold down costs.

Our economy depends on an educated and highly skilled workforce, and USNH institutions are focused on addressing the most pressing state workforce needs. That includes our continuing commitment to expand the number of STEM (science, technology, engineering and math) graduates in the state, and that number has steadily increased, with USNH institutions providing more STEM graduates than any other institutions in the state.

Public higher education is a wise and important investment for New Hampshire. It supports our industries and supports our economy, in addition to providing New Hampshire students and their families with access to affordable high quality education.



Todd Leach

TODD LEACH
CHANCELLOR

REPORT FROM THE University System of New Hampshire

The University System of New Hampshire (USNH) includes the University of New Hampshire (UNH) at Durham, Manchester, and Concord, Plymouth State University (PSU), Keene State College (KSC) and Granite State College (GSC). KSC, PSU, and UNH-Durham are the three residential campuses of USNH.

The University System is directed by a 27-member Board of Trustees. Administration of the University System is the responsibility of the chancellor, functioning as the executive agent of the Board of Trustees. The chancellor is the chief executive and academic officer of the University System Office, and is responsible for developing, recommending, and implementing the Board's policies and decisions.

University of New Hampshire

UNH is a land-, sea-, space-grant and community-engaged public research university, enrolling more than 14,000 undergraduate and more than 3,000 graduate students. Recognized as a rising star among research universities, UNH retains the atmosphere of a New England liberal arts college with a faculty dedicated to undergraduate teaching and research. Its commitment to engagement and public service serves not only the Granite State through its many outreach offices such as Cooperative Extension, but nationally and internationally through its public policy expertise in areas as diverse as crimes against children, ocean fisheries management, rural poverty, space science and environmental research.

Plymouth State University

PSU is a regional comprehensive university with a tradition of meeting the educational aspirations of New Hampshire

citizens, communities, and organizations. PSU's educational philosophy is based on academic excellence, experiential learning, applied research, regional service, and leadership. While PSU's rich tradition of "place-based" education was established in 1871, today its horizons have expanded substantially with online programs at the undergraduate and graduate levels. Moreover, its development of academic partnerships across the globe has led to a vibrant student body of 7,000 students coming from 43 states and 34 countries.

The University's motto, *Ut Prosim* (That I may serve), is a credo for faculty, students, and staff, who engage with communities on a local, regional, national, and international scale in ways that are relevant and mutually beneficial. Recently PSU has earned state and national recognition for academic innovation, environmental sustainability, international opportunities, community engagement, and economic partnerships.

Keene State College

KSC is New Hampshire's public liberal arts college, offering more than 40 majors in the arts and sciences, professional programs, and selected graduate degrees. For its 5,500 students, the college provides rigorous academic programs and a tradition of small classes, faculty-student collaborative research, and service learning. Chief among the college's priorities are preparing students for global citizenship and meaningful work, and catalyzing economic development through institutional partnerships across the region and state.

A leader in applying the principles of a liberal arts education to today's challenges, Keene State's innovative curriculum and focus on high-impact practices have won national praise, with the *Princeton Review* again

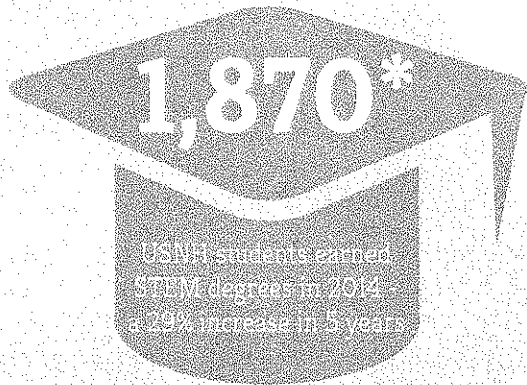


naming it a Green College and *U.S. News & World Report* ranking it as one of the Top Public Regional Universities in the North. The *Princeton Review* has consistently listed Keene State as one of the 224 best colleges in the Northeast.

Granite State College

GSC empowers students to reach their ultimate academic and career goals by providing comprehensive access to higher education. With a focus on adults and other students who seek the flexibility of online courses or convenience of a regional campus, GSC offers affordable tuition and degree programs that can be earned while balancing life's other responsibilities such as work, family, and community obligations. Offering associate, bachelor's and master's degrees, post-baccalaureate programs for teachers, and a variety of transfer opportunities, GSC is known for its supportive and enriching environment. Supported by a faculty of expert practitioners who help to illustrate the real-life application of their curriculum through innovative education technology, GSC emphasizes practical and relevant areas of study that are responsive to the workforce development needs of New Hampshire's economy.

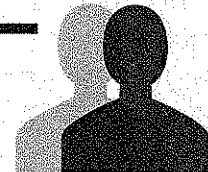
STEM Talent



*Preliminary figures

%* USNH graduates
more than half
of NH's bachelor's degrees in STEM

USNH and the Community College
System of NH set a goal to **double**
the number of STEM grads by 2025

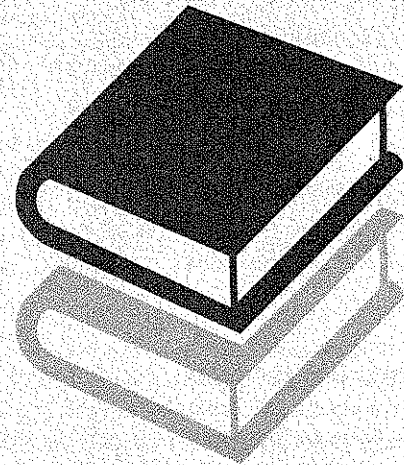


Building NH's Future

NH residents
enrolled exclusively online
at USNH - more than any other public institution in NH

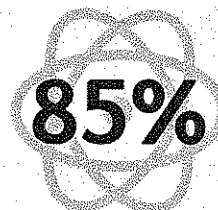
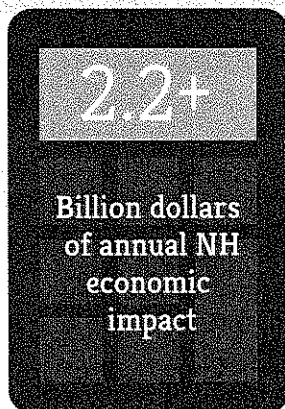


USNH alumni
live in NH



NH's Economic Partner

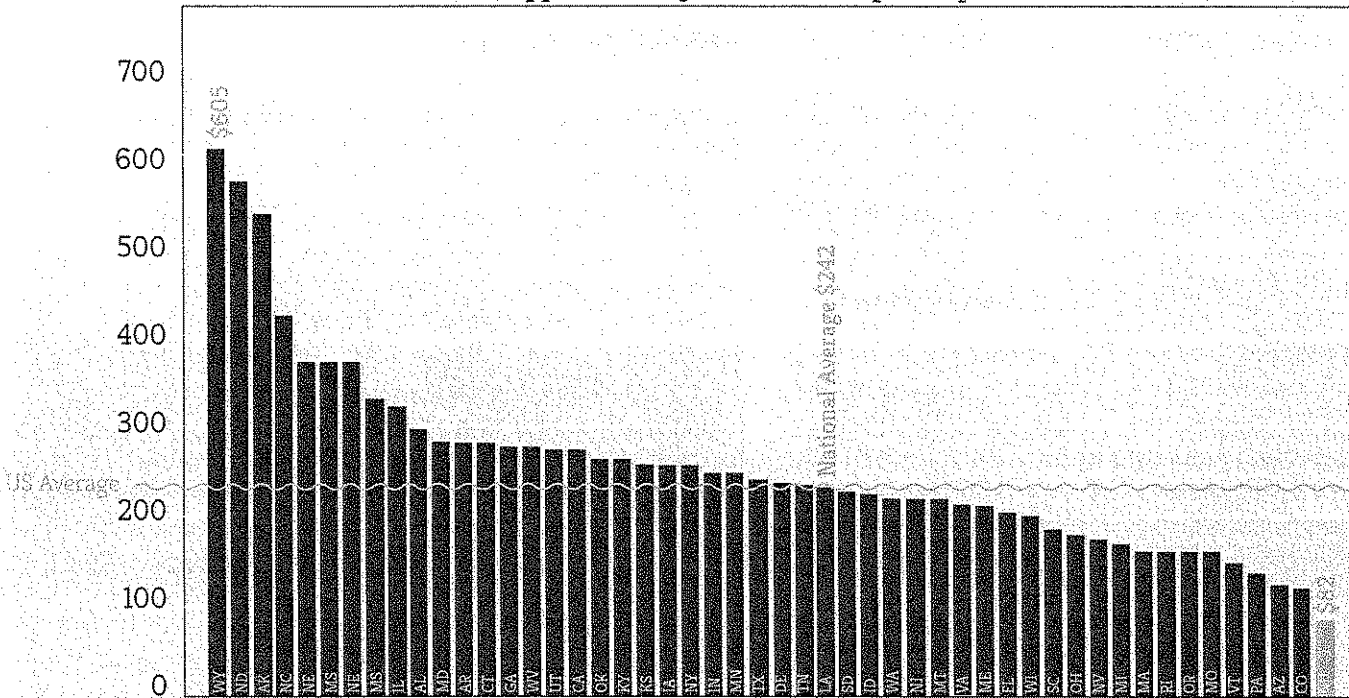
+
NH businesses assisted
directly by USNH partners each year



Increase in sponsored
research funding
2003-2013

NH Ranks 50th in State Support

State Support for Higher Education per Capita, FY2014



"If technology is going to be a central part of the New Hampshire advantage then business needs to have the talent, and to have the talent we must have a strong university system."

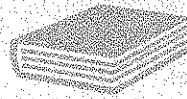
Joseph G. Morone
USNH Board of Trustees

"The greatest challenges facing higher education are access and affordability."

Mark W. Huddleston
President, UNH

Over a full year, approximately

34,000



students enroll at
USNH institutions

USNH Enrollment Fall 2014

University of New Hampshire	16,311
Plymouth State University	4,826
Keene State College	4,957
Granite State College	2,209
Total	28,303*

*Includes preliminary graduate student counts

Addressing the state's need for a STEM educated workforce

Talent Pipeline

More than 1,000 first-year students at UNH entered science, technology, engineering and mathematics (STEM) majors in fall 2014, an increase of 13 percent over last year.

UNH graduates 59.1 percent of New Hampshire's baccalaureate degrees and 59.6 percent of its graduate degrees in the fields of engineering, engineering technology, computer science and information technology—all of which are in high demand and short supply. The university is also the sole source of research-based agricultural expertise in the state.

In 2012, officials from the University System of New Hampshire and the Community College System of New Hampshire committed to double the number of STEM-educated graduates from their institutions by 2025.

As the largest public institution in the state, UNH will be the primary driver of that increase. In 2013, UNH graduated nearly 1,300 students in STEM majors.

Meteorology Program

For three weeks in January and February, the Plymouth State University Meteorology program featured on campus a Doppler-On-Wheels (DOW) mobile radar unit. The DOW spent several days on campus for students to get experience using mobile forecasting technology. Then, the DOW went on the road with PSU faculty to communities and schools throughout the

Lakes Region, introducing students and citizens to the science of weather. More than 1,000 people of all ages participated in these programs. Among the PSU professors participating was Dr. Lourdes Aviles, whose 2014 award-winning book, *Taken by Storm, 1938: A Social and Meteorological History of the Great New England Hurricane*, combined science and history to tell a compelling story of nature's terrific power.

Workforce Development

Twenty percent of Keene State College's 1,100 annual bachelor's graduates complete degrees in science, technology engineering, and math (STEM) disciplines.

In order to meet the increasing demand for talented graduates in STEM disciplines, Keene State College has instituted the "Building Excellence in Science and Technology" (BEST) program that began recruiting students into specialized programming for the fall of 2014. The program focuses on student recruitment and retention in STEM disciplines including computer science, biology, math, chemistry, geology, and physics. Highlights of the program include a living-learning community, peer mentoring, and undergraduate research opportunities throughout a student's academic experience at Keene State. The college seeks to increase the number of BEST graduates by 50 percent by 2019.

Majors in 10 of the College's STEM-related disciplines made up 28 percent of all declared majors at the undergraduate level in 2013. The disciplines include architecture, biology, chemistry, computer science, environmental studies, geology, math, nursing, safety, and sustainable product design innovation. The growth in STEM-related disciplines at Keene State College since 2008 represents a 66 percent increase in the number of declared majors in these areas.

STEAM Ahead Project

Granite State College is a partner with Manchester West High School, Manchester Community College, UNH Manchester, New Hampshire Department of Education and local businesses to facilitate a high school redesign model, focused on science, technology, engineering, arts, and mathematics (STEAM) initiatives, early college experiences and work force development. It is anticipated that this model will be replicated across New Hampshire. It is the first collaboration in New Hampshire that brings together high school and higher education educators and the business community to address the long-term demand for more high school graduates to study science, technology, engineering, arts and mathematics. Creativity is a critical component for STEM careers and is included in the project with an enhanced collaboration in the arts with West High School and its higher education partners.



Discovery Lab

Seeing teenagers hunched over smartphones may not seem unusual, but 14 New Hampshire high school students who gathered at the STEM Discovery Lab at UNH Manchester last summer were doing something extraordinary – using computer science to build their own mobile applications.

During the Ecosystem Computing Challenge (ECC) Summer Camp, led by Mihaela Sabin, Associate Professor of Computer Science, students were introduced to computer science using the App Inventor programming environment.

Dave Dewitt, CEO and founder of Phase65, Inc., attended the first day of the camp as a manufacturing industry partner. “As a 67-year-old retired mechanical engineer, I am well aware of how important STEM is to bridging the growing ‘skills gap’ of our K-12 student population,” said Dewitt, who worked alongside the students.

The camp also served as a professional development opportunity for teachers from the Manchester School of Technology, Pinkerton Academy, Timberlane Regional, and Dover High School.

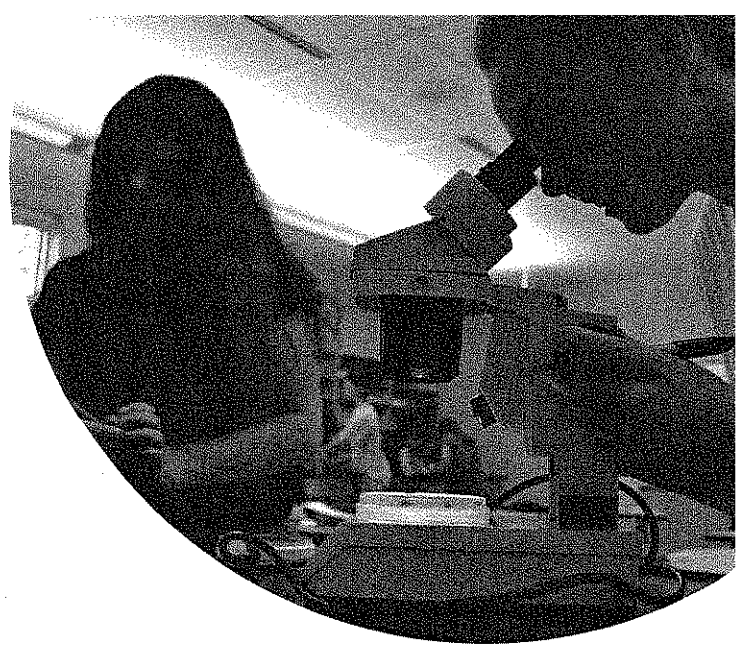
RN to BSN Program Partnership

GSC’s RN to BSN degree completion pathway offers an innovative outlet for GSC to create thriving partnerships with education and health care institutions across New England. As a workforce-oriented college with a mission focused on degree completion for adults, the RN to BSN program maximizes the valuable experience of a practicing registered nurse. This program augments the student’s experience with college-level learning emphasizing quality in emerging areas of the nursing field, such as genetics, aging populations, and leadership. The response is enthusiastic and partnerships have been developed with hospitals across the region including Holy Family Hospital, Dartmouth-Hitchcock in Manchester, Portsmouth Regional Hospital, Exeter Hospital, St. Joseph’s Hospital, and more.

Engaging Local High Schoolers

Some 100 Winnacunnet High School freshman biology students gained valuable research skills as they witnessed harmless bacteria divide before their eyes this spring – with the help of a program created by UNH faculty and public school teachers to promote STEM skills and improve K-12 science education.

Winnacunnet science teachers Mike Handwork ('98) and Shani Scarponi have been working with UNH for more than a year to bring innovative projects and sophisticated new equipment into their classrooms. Handwork spent last summer at the Litzel Center at UNH, learning how to gather data with his students for Forest Watch, a program that trains K-12 students and teachers to collect data used in studying the health of New Hampshire’s white pine and sugar maple trees.



UNH has also loaned Winnacunnet equipment, hosted students on campus and connected the high school’s science faculty with research expertise throughout the university.

“It’s basically renewed what science teaching is for me,” Handwork said. The idea for the evolution project came from UNH Associate Professor of Microbiology and Genetics Vaughn Cooper, who has been working with graduate student Taylor Warren ('13) to develop a simple, hands-on method of teaching teenagers about the complexities of evolution.

EPSCoR Summer Teacher Conference

In August 2014, conference organizer and PSU Research Professor Doug Earick brought together on campus more than 40 Granite State middle, high school and college science teachers to hone their classroom skills with a series of workshops and hands-on training in using large amounts of data.

“This is a different way of doing science,” Earick said. “Science is moving in a different direction; the focus is on data literacy, how to collect large amounts of data, analyze it using computer software and ask the question, ‘what does that data mean?’ Does it lead to other questions? That’s what scientists have to do and that’s how we want students to start thinking... We hope the teachers here can take this data back to their classrooms and have their students work with it...” Earick added.

The teacher training conference is part of NH EPSCoR (Experimental Program to Stimulate Competitive Research), which seeks to advance New Hampshire’s competitiveness in science and engineering by strategically investing in research infrastructure; promoting education in STEM; and partnering with businesses that enhance job creation and economic development.



Supporting NH businesses

Manchester Expansion

The UNH Manchester campus will have a new home in spring 2015 as a result of its partnership with DEKA Research and Development Corporation. The building trade will allow UNH to expand and respond to area business needs. UNH's strategic Mill Yard move will bolster Manchester's "college town" reputation and pave the way for sustained job growth.

The move is part of the forward-looking transformation the college is undertaking for students interested in experiential learning through internships, research and community engagement.

The University System of New Hampshire Board of Trustees, with the full support of the UNH administration, voted unanimously to support the sale of UNH's current building at 400 Commercial Street to DEKA in exchange for a long-term lease with the option to buy the Pandora building at the corner of Commercial and Granite streets.

"This is a rare opportunity for the university, for DEKA, and for the city of Manchester," said UNH President Mark W. Huddleston. "It signals the university's commitment to its role in Manchester and to Merrimack Valley area businesses who count on work-ready UNH graduates, and the expansion will allow us to grow and develop new programs to meet their needs. This partnership benefits everyone."

Meteorology

The Plymouth State University Meteorology program prepares graduates to contribute to businesses, state agencies, and non-profit organizations in a variety of productive ways. Professor James Koermer and a graduate student collaborated with

Milford-based Airmar Technology Corporation to develop a compact lightning detection system. This system can be used by golf courses and amusement parks to improve the safety of their guests and staff.

For 10 years, Professor Eric Hoffman and his students have worked with Public Service of New Hampshire to better understand the weather conditions that contribute to power outages. Professor Sam Miller and his students also work closely with the National Weather Service to improve wind forecasts in the Gulf of Maine to help fishermen and recreational boaters.

PSU's Meteorology Department also has a 10-year agreement with the New Hampshire Department of Transportation to deploy more than 50 weather observation stations throughout the state to measure road surface and subsurface temperature and ozone concentrations.

Partnerships

Keene State College's significant contribution to a robust New Hampshire economy is measured in several important ways. The college's direct and indirect economic impact to the state of New Hampshire exceeds \$350 million. Nearly half of Keene State College's graduates remain in New Hampshire, building the state's workforce and enhancing its social and economic capital. Five years after graduation, 95 percent of Keene State graduates are employed and 76 percent of those are engaged in fields related to their areas of study.

Keene State College has developed more than 144 partnerships with communities, non-profits, government agencies, and businesses across the state. The college leverages these relationships to attract additional resources to the college, create experiential learning opportunities for its students, enhance its academic programming, and develop a sustainable source of internship opportunities that benefit both students and business partners. Keene State students have received internships or have been hired at nearly 40 New Hampshire companies including businesses in the fields of biotechnology, construction, internet-related services, film production, metal castings, insurance, printing systems, and precision manufacturing.

Keene State College's commitment to workforce development is also demonstrated through a variety of partnerships that provide business development and consulting services to small, emerging, and entrepreneurial ventures. The Regional Consortium for Advanced Manufacturing (RCAM) draws on the resources of consortium partners to link businesses and employees with educational resources that further the region's prominence in advanced manufacturing through a highly skilled workforce. The OSHA Training Institute at Keene State College, recognized by the U.S. Department of Labor, provides critical expertise in safety and health that reduces workplace hazards and the accompanying human and financial costs.

Keene State College students, working through the college's management program, serve as consultants to local business and non-profit organizations. The program has been recognized with more than 30 district, regional, and national awards for contributions made to the vitality of the region's small businesses. Building on its exemplary history of training five generations of forward-thinking educators, Keene State College provides ongoing career support and professional development through the Southwestern New Hampshire Educational Support Center.

Computer Science Innovation

GSC launched the BS in Computer Science Innovation with Manchester Community College for their students who earn an Associate Degree in Computer Science and Innovation. This program is in direct response to workforce demand for students with critical thinking, innovation and problem-solving skills. The degree is already earning the attention of high-profile local employers such as Dyn, inc., a leading internet performance solutions company.

UNHInnovation

Underscoring its growing role in fostering innovation and entrepreneurship across New Hampshire's tech-based economy, UNH launched UNHInnovation and introduced a new website – <http://innovation.unh.edu> – to create a hub for accessing UNH research, expertise, equipment and facilities.

"We are excited for this next step in rolling out the UNHInnovation initiative," said Marc Sedam, executive director of UNHInnovation. "We began the website redesign with the key objectives of promoting UNH intellectual property and providing a centralized location where members of the business community can gain access to our equipment, facilities, talent, and expertise."

The new website is designed to not only promote UNH research and assist in bringing research results to market, but also to consolidate all of the business resources available at the university. From student and alumni recruitment options to the executive development programs, the website is an information center that provides the contact information to learn more about the various opportunities to connect with the university.

Enterprise Center

Since October 2013, ten small businesses are getting started or have re-started at PSU's Enterprise Center at Plymouth (ECP). This business incubator-accelerator is a partnership between Plymouth State University and the Grafton County Economic Development Council. The center has reached the capacity of available space, and new offices are being built to accommodate additional businesses.

PSU's experienced executive director manages the ECP and its

entrepreneurial programs, and PSU faculty assist businesses by providing expert professional counsel and a steady cohort of student interns. Since last October, 21 PSU students have engaged with ECP business members, gaining valuable experience as they assisted new and emerging companies dealing with real-world issues. Six graduates have been hired full time, an anchor company is owned by a PSU alumnus, and many jobs are being created in the region.

Literacy Project

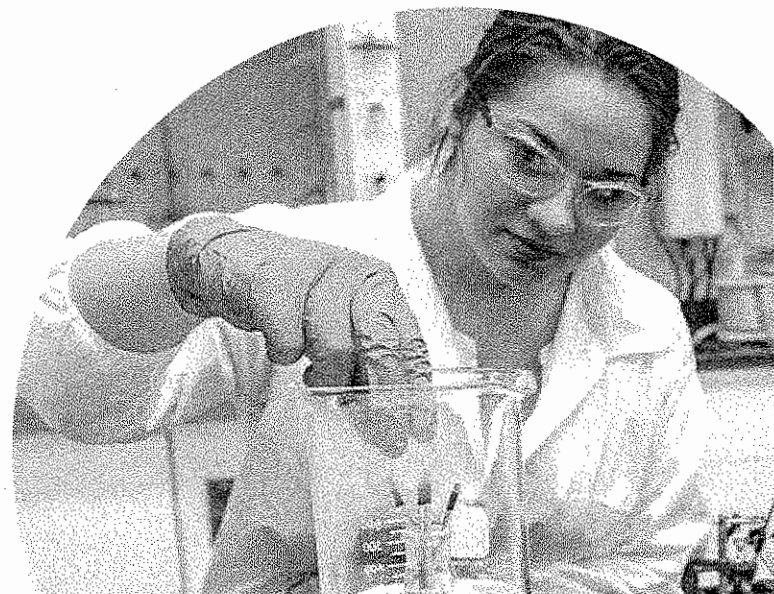
Granite State College is leading a collective impact effort to effect social change in Sullivan County. A new partnership with other postsecondary education, K-12, social service, business, and community partners has formed to promote literacy, the chief barrier to economic empowerment. Granite State College is sponsoring an AmeriCorps VISTA volunteer to manage collaboration and communications for the partnership as it determines a common agenda and progress measures. Each member organization will contribute its special expertise as the partnership builds literacy to achieve positive social change.

North Country Engagement

Businesses and entrepreneurs across New Hampshire's North Country now have access to a streamlined, one-stop entry created through a unique public-private partnership supported by UNH.

In January 2014, Business Services North unveiled a new branding campaign at the Coos County Business Expo and launched a new website, www.businessservicesnorth.org. Three North Country organizations joined to form Business Services North: White Mountains Community College, Northern Community Investment Corporation, and the NH Small Business Development Center at UNH.

"For years our three organizations worked with the same clients, often duplicating efforts. Now, Business Services North conserves resources and triples the support for businesses.



Spurred by the Neil and Louise Tillotson Foundation, the Business Services North collaboration is driving economic growth in the North Country," said Mary Collins, state director of the NH Small Business Development Center (NH SBDC), an outreach program of UNH's Peter T. Paul College of Business and Economics.

Centers of Excellence

In 2014, 427 New Hampshire businesses and organizations were assisted by PSU outreach efforts in FY14. These include internships and experiential learning opportunities provided by academic departments across campus as well as contracted projects through the Center for Rural Partnerships, the Center for the Environment and the Center for Active Living and Healthy Communities.

Through PSU's Zamzow Small Business Institute (SBI), teams of graduate students have won dozens of statewide, regional, and national awards in small business development competitions – including 10 national first place awards. Previously, the SBI has been named the best small business institute in America.

The Institute for New Hampshire Studies (INHS) maintains the official state tourism database and conducts tourism research for numerous clients including the New Hampshire Division of

Travel and Tourism Development. INHS conducts innovative education, research, and outreach in topic areas including tourism, archaeology, and regional history. INHS projects support state and regional tourism marketing efforts, heritage preservation, as well as the planning and development initiatives of communities and independent accommodations and attractions.

Small Business Development Center

Each year, 3,000 small businesses in some 200 communities benefit from NH SBDC programs. Since 1984, more than 39,000 entrepreneurs representing 18,000 businesses have been assisted.

After five years, 80 percent of businesses that receive counseling from the Small Business Development Center at UNH are still in business – that's quite a contrast with the 44 percent survival rate of businesses that don't receive counseling.

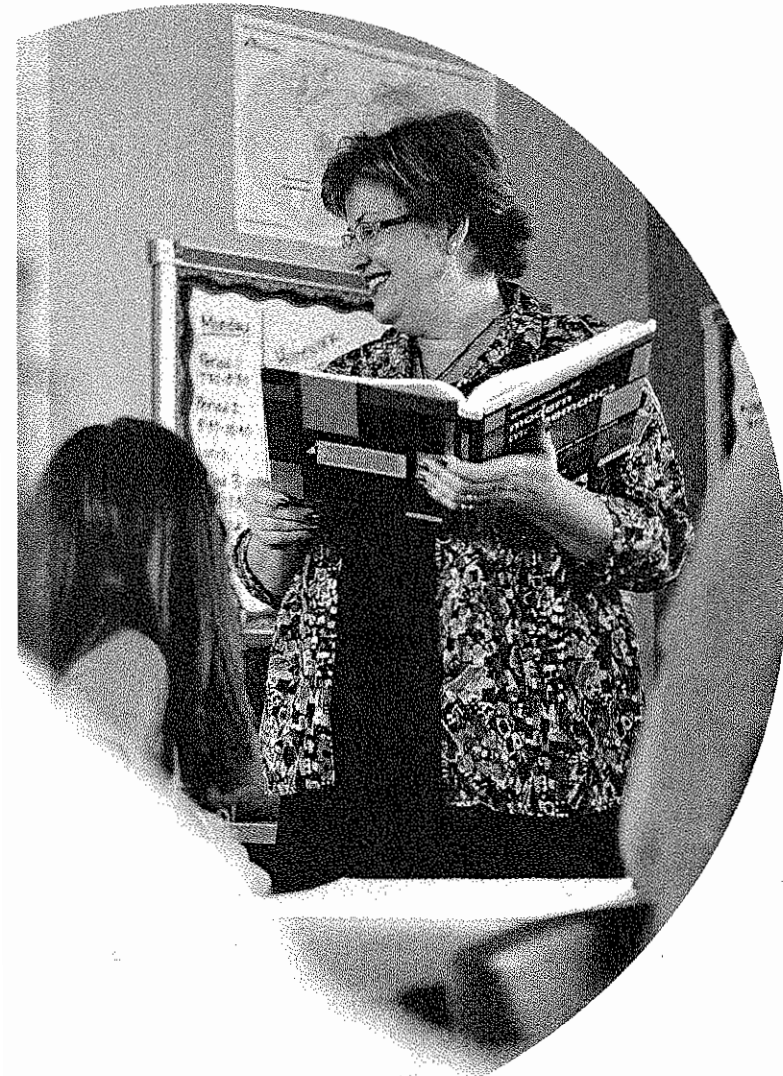
NH SBDC's full-time certified business advisors provide one-on-one, long-term management advising to small businesses at no cost through regional offices and satellite locations.

Client companies come from all sectors seeking advice on financing, improving operations, bringing new products to market, and where to start in launching a new business or purchasing an existing one.

Teacher Certification Program

The North Country Teacher Certification Program (NCTCP) is an exciting collaboration between PSU and White Mountains Community College designed to provide first-of-its-kind opportunities for higher education to place-bound students in remote regions of New Hampshire. Rural citizens now can earn a bachelor's degree and K-8 teacher certification. The program runs on a two-year cycle with three semesters of course work and one semester of student teaching. PSU classes taught in Berlin are offered evenings and weekends to accommodate non-traditional students who work in the day.

For many students, leaving home to attend college is not an option because of family and work responsibilities. The goals of the NCTCP are to provide aspiring North Country residents the chance to become teachers and to benefit local school systems by having dependable, well-trained teachers who want to live and work in rural New Hampshire. Thirty-two residents have graduated and are actively working, of which 25 are teaching in North Country schools – with one alumna recently promoted to principal.



Tackling higher education affordability

Most Affordable 4-Year College in New England

According to recent U.S. Department of Education data, GSC is the least expensive four-year college in New England. "Each day, we see and experience how the average college student is challenged by expensive tuition rates – a predicament that's always a top concern for working adults. This drives students to look at affordable online institutions, like Granite State College. Being cited as the leader in affordability in the Department of Education report is recognition of our access mission," said Dr. Todd Leach, Interim CEO of Granite State College.

UNH Welcomes Largest Incoming Class Ever; Includes 7 Percent Increase in NH students

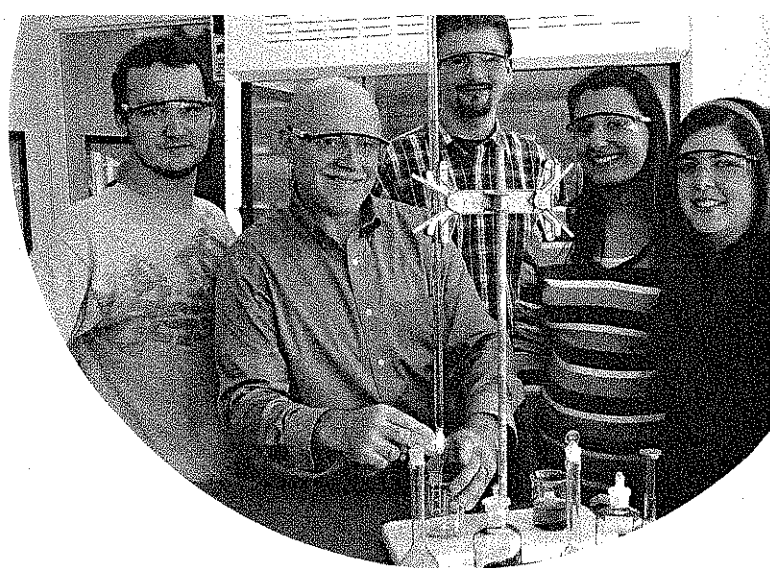
More than 3,200 first-year students entered UNH this fall as members of the class of 2018, the university's largest incoming class ever, including a 6 percent increase in the number of in-state students over last year. The number of first-year students enrolling in STEM majors increased 13 percent over last year.

"We worked hard to bring in the quantity and quality of this first-year class," said President Mark W. Huddleston. "Offices across the university helped us by raising the visibility of the institution, increasing connection with prospective students through targeted and personalized communication, and supporting more high school visits. We're bucking the trend of declining enrollment due to fewer high school graduates, and we're proud to welcome this new class of Wildcats."

Huddleston credits some of the increase to the partial restoration of state funding in 2013, which allowed USNH institutions to freeze in-state tuition for two years. "The support of Governor Hassan, state lawmakers, and the University System of New Hampshire Board of Trustees was critical and will continue to be so as we work to keep UNH affordable," he said.

Online and Weekend Courses

Plymouth State University is committed to providing access to a valuable educational experience at an affordable cost for students and their families. For many, the traditional four-year residential model is not an option due to cost or time commitment. In response, PSU has created online and hybrid programs and courses (combining online and classroom instruction), as well as weekend-intensive and evening options to better accommodate students' busy home and work-life schedules. This is not new. PSU's Master of Business Administration program has been available online for more than 10 years and undergraduate programs in criminal justice, communications, nursing and business have been available as online degrees for several years.



Last year, PSU had more than 5,000 student enrollments generating 15,000 credit hours in online courses. Some students are earning their degrees fully online while others choose to take a mix of classes on campus and online to provide a more flexible schedule.

New Scholarships Lure High-Achieving NH Students

Up to 25 promising high school students from New Hampshire will share \$50,000 in newly-created scholarships to attend Project SMART, UNH's residential summer institute focused on science, technology, engineering and mathematics (STEM).

The scholarships, which range from \$1,000 to \$3,700 for the four-week institute, will go to high-achieving students entering 10th and 11th grade. Amounts awarded will be based on merit and demonstrated financial need.

"As New Hampshire and the nation strive to meet the growing demand for a STEM-educated workforce, these scholarships will serve to prime the STEM pipeline by removing financial barriers to this outstanding program," says Mark Rubinstein, Vice President for Student and Academic Services at UNH.

Founded in 1992, Project SMART drew students only from New Hampshire for its first five years; they attended the program at no cost. In recent years, however, students from around New England, the nation, and select international schools have far outnumbered those from New Hampshire; just about a quarter of the 45 students have been Granite Staters.

KSC Enters into Partnership with the Young Entrepreneur's Academy

Keene State College is pleased to enter into a partnership with the Young Entrepreneur's Academy (YEA!) as the organization's founding New Hampshire sponsor. The college supports YEA!'s mission to provide instruction and support to assist middle and high school students in developing and launching functioning businesses. The program resonates with Keene State's mission and emphasis on innovation, creative inquiry, community



connections, and provides an educational experience that positions young adults for professional opportunities.

This spring, Keene State College joined the I'm First organization as a means of expanding its commitment and outreach to first-generation college students. A popular video featuring Keene State College President Anne E. Huot describes her experience as a first-generation student and offers advice to those seeking to be the first in their families to attend and graduate from college. Keene State College continues to direct resources and programming to support underrepresented students. The college's consistent outreach efforts, through its Diversity Outreach Plan, have successfully brought nearly 250 students from five area high schools for campus visits this past year. First year minority students at the college have increased more than 300 percent from 40 in 2007 to 123 in 2014. Minority students in the college's applicant pool have increased from 4.4 percent in 2007 to 13.3 percent in 2014.

New Dual Admission Program Between UNH and GBCC Increases Access to a 4-Year Degree

UNH and Great Bay Community College (GBCC) announced a new dual admission program in August 2014 that will allow students to seamlessly transfer into UNH to complete a bachelor's degree after completing an associate degree at GBCC. Qualified students can earn credits that apply to both their associate degree and bachelor's degree while at GBCC. Upon completion of an associate degree and a cumulative 2.5 grade point average (GPA) or higher, program participants are guaranteed seamless entry into UNH's College of Liberal Arts.

The dual admission program is open to students applying or currently enrolled for the fall semester at Great Bay Community College. The program is intended to serve as a pilot that will eventually include all University System of New Hampshire and Community College System of New Hampshire institutions. GBCC and UNH currently have articulation agreements that guarantee transfer into the university's College of Life Sciences

and Agriculture, College of Engineering and Physical Sciences, and the Peter T. Paul College of Business and Economics.

"This is the next step in a great partnership with UNH. With this new program we are able to provide a wider population of students the opportunity to complete an associate degree at GBCC and move seamlessly to UNH as a junior," said GBCC President Wildolfo Arvelo.

Benefits to GBCC students enrolled in the dual admission program with UNH include having one application fee, access to specialized academic advising to maximize course completion and ensure eligibility, invitations to academic, athletic, cultural and social events at UNH throughout the year, guaranteed university housing upon successful completion of the dual admission program, and eligibility for merit-based scholarships for students who meet GPA requirements.

How USNH Tackles Higher Education Affordability

Granite State College and Plymouth State University are partnering to offer education graduate degrees focused on critical school issues for the 21st century. The Master's in Education (MEd) is designed to advance content-specific learning through a technology rich approach leading to school transformation. The program provides focused, advanced content curriculum in science, english, mathematics and history. It is centered on collaborative, inquiry-based teaching and learning for diverse populations. This degree also models systemic use of technology to enhance teaching and learning for 21st century environments. Specifically geared toward teachers working in public high schools throughout the state, the project will launch state-wide after a pilot launch at Manchester West High School this fall. In addition to specifically meeting the needs of the workforce, this degree is extremely affordable at \$10,000 total cost.

Early Childhood Development Initiative

The Coos County Early Childhood Development Initiative is a multi-year, multi-partner development program dedicated to improving the lives of very young children and their families in Coos County. Funds are provided by the Neil and Louise Tillotson Fund of the NH Charitable Foundation to pay full tuition for five PSU students from Coos County majoring in early childhood education. The initiative's goal is to improve the physical, dental, and mental health, early care and education, and lifelong well-being of children from birth to age five and their families in Coos County. This cohort is one part of the PSU early childhood grant that focuses on professional development and preparation of early childhood teachers and day care directors. Participants seek early childhood positions in the North Country after graduation.

CHANCELLOR'S REPORT on Efficiency and Results

USNH continuously finds ways to operate efficiently and effectively to provide an affordable education while maintaining a high level of quality.

For the past three years, USNH total expense has grown at rates below annual inflation – and the institutional support component of USNH total costs is the lowest of the New England public university systems.

Centralized services produce significant efficiencies and cost savings for the system as a whole. Examples include shared finance, HR, and legal services provided by the System Office and technology services provided by UNH.

Efficiencies and cost savings are also achieved through innovative and strategic alternatives as opposed to conducting business as usual.

USNH moved to self-insure employee medical coverage in 2012, reducing costs by \$20 million over two years. The savings were used to support STEM programs and strategic initiatives at the institutions.

Other efforts expected to yield savings in the coming year(s) involve restructured banking services and procurement strategy.

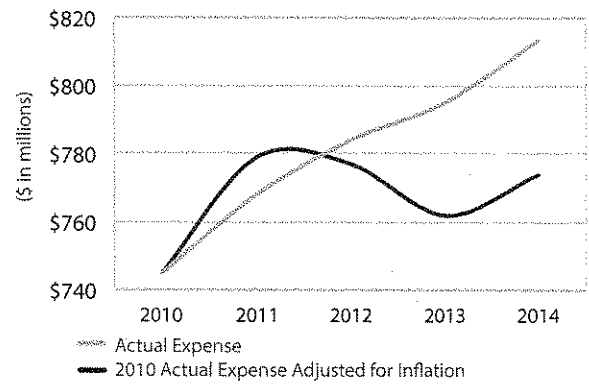
USNH continues to realize efficiencies while reducing System Office staff by 15% over the past five years. Holding support costs low benefits our current and future students.

Recent savings have helped USNH institutions to increase student financial aid, by 39% over the 2010 level. The availability of financial aid is a critical factor for student access to, and success in, higher education.

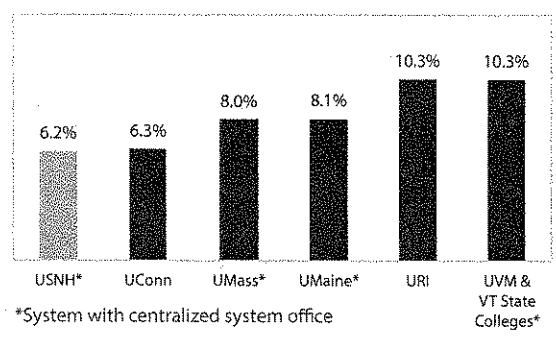
With 70% of our students completing their degree programs, the average USNH graduation rate is the highest among New England state public averages. By graduating in a timely manner, USNH students are well positioned for employment and loan repayment.

Working together, USNH now ranks #1 for the *lowest* average student loan default rate of similar institutions in New England – *and the entire US!*

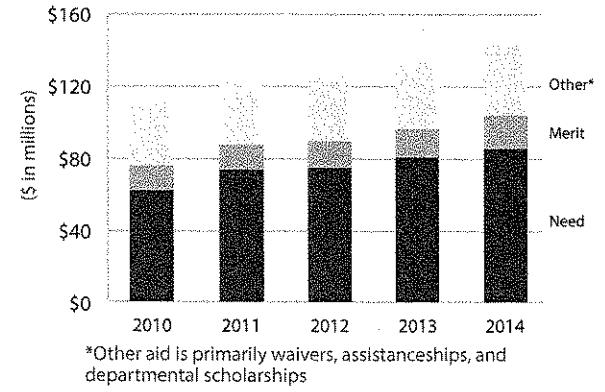
USNH Total Expenses



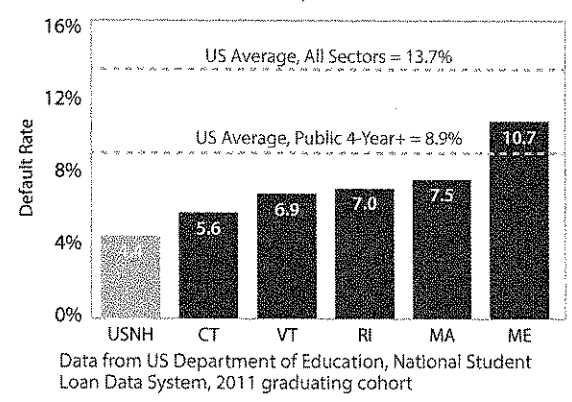
Institutional Support as Percent of Operating Expense



Student Financial Aid



Student Loan 3-Year Default Rates



ABOUT THE NUMBERS

Total Expenses data from USNH Finance Office. Includes UNH School of Law in all years. Annual inflation from Bureau of Labor Statistics Consumer Price Index.

Institutional Support data from FY13 audited financial statements of each system. Includes fundraising and communications expenses. UMaine and UConn include Law School. URI, UVM, and UMass include Medical School, College of Medicine, or College of Pharmacy. UNH School of Law and UConn Medical School are not included in the financial statements.

Financial Aid data from USNH Finance Office. Includes all sources. Includes UNH School of Law in all years.

Default Rate data from US Department of Education, National Student Loan Data System, 2011 graduating cohort. Default as of 2013. Public four-year+ institution averages by New England state. National comparison refers to public four-year+ institution averages by state. Reference to graduation rate comparison refers to New England public bachelors graduation rate averages.



KPMG LLP
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Boston, MA 02111

Independent Auditors' Report

The Governor and
Legislative Fiscal Committee,
State of New Hampshire; and the
Board of Trustees,
University System of New Hampshire:

Report on the Financial Statements

We have audited the accompanying statements of net position of the University System of New Hampshire (the System), a component unit of the State of New Hampshire, as of June 30, 2014 and 2013, the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the System's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. And audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of the University System of New Hampshire as of June 30, 2014 and 2013, and the changes in its net position and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matter

Required Supplementary Information

U.S. generally accepted accounting principles require that the management’s discussion and analysis on pages 18 through 24 and the schedule of funding progress on page 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

KPMG LLP

October 30, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014 AND 2013 (Unaudited)

I. Introduction

The following Management's Discussion and Analysis includes an analysis of the financial condition and results of activities of the University System of New Hampshire (USNH) for the fiscal year ended June 30, 2014. This analysis provides a comparison of significant amounts and measures to prior periods and, where appropriate, presents management's outlook for the future.

USNH is a Section 501(c)(3) corporation organized under the laws of the State of New Hampshire to serve the people of the state as the key provider of public higher education for bachelor's and advanced degree students. USNH accomplishes its mission by operating four educational institutions that collectively offer a broad array of education, research and public service options for the state. These institutions include the University of New Hampshire, with campuses in Durham (UNH), Manchester (UNHM) and beginning in 2013, the UNH School of Law (UNHL) in Concord; Plymouth State University (PSU); Keene State College (KSC); and Granite State College (GSC). While select programs are active in other regions as well as abroad, most of USNH's activities take place at the three residential campuses (UNH, PSU and KSC), the ten regional sites of GSC, UNH's urban campuses (UNHM and UNHL), and the UNH Cooperative Extension and Small Business Development Centers located throughout the state. The accompanying financial statements also include the activities and balances of the University of New Hampshire Foundation, Inc. (UNHF) and the Keene Endowment Association (KEA) - two legally separate but affiliated entities. The condensed five-year financial statements included also reflect the activities and balances of New Hampshire Public Broadcasting (NHPB) prior to its disaffiliation from USNH on July 1, 2012. (See Note 1 for additional information on affiliated entities.)

II. Economic Outlook and Financial Highlights

For fiscal year 2014, the general appropriation from the state was increased from \$54 million to \$69 million. This allowed USNH to freeze tuition rates for resident undergraduate students, directly impacting costs for our 21,000 New Hampshire students and their families. The USNH Board of Trustees also voted to extend the resident tuition freeze for 2015. Supporting the freeze, our general appropriation will increase to \$84 million in 2015 as we begin to recover from the drastic cuts of the prior biennium. UNH is expected to enroll its largest freshman class to date this fall which will expand the impact of the tuition freeze to even more NH families.

During 2014 USNH also set aside \$10 million for the campuses to invest in Science, Technology, Engineering and Math (STEM) programs and infrastructure. These investments, combined with increases in student financial aid, are being made with NH students and businesses in mind. STEM competencies are an area of high

demand for NH employers, and such skills will position our students to fill these roles, thus extending USNH's impact in the state.

The remainder of this report describes the results of financial operations for the year ended June 30, 2014 with comparisons to prior years. With this strong foundation and the commitment of USNH management and trustees, New Hampshire students will have continued access to affordable, high-quality, higher education.

A. Revenues

The charts below show the diversification of USNH's revenue streams in 2014 which totaled nearly \$1 billion. Note that these amounts are not reduced by student financial aid expenditures. In addition, capital additions and deductions are excluded from the charts.

Chart 1: 2014 Revenues by Source
Total = \$955 Million
(\$ in millions)

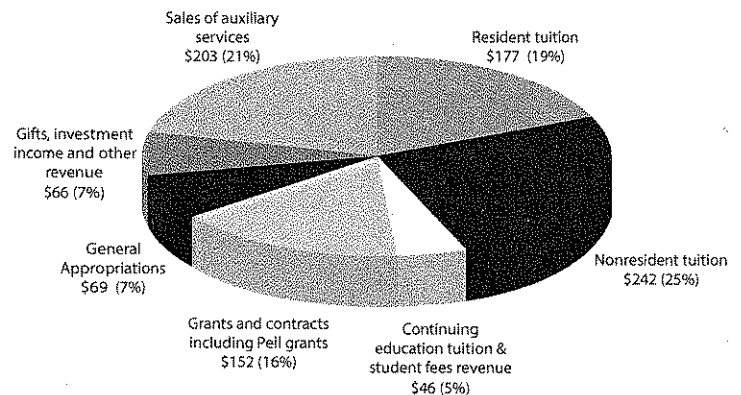
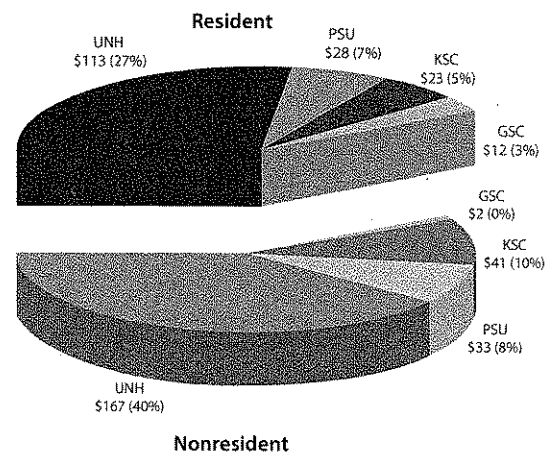


Chart 2: 2014 Tuition by Campus
Total = \$419 Million
(\$ in millions)



Tuition and student fees accounted for \$465 million or 49% of USNH revenue in both 2014 and 2013. The mix of enrollees was slightly different, however. As shown in Table 1 below, credit-generating programs lost the equivalent of 846 full-time resident students from 2013 to 2014. This is offset by an increase in full-time equivalent (FTE) nonresident students of 254, resulting in a net enrollment reduction of 592 FTE students or 2.1%.

Table 1: Twelve Month Full-Time Equivalent (FTE) Credit-Bearing Enrollment

	2013	2014
UNH*	15,268	14,974
PSU	4,839	4,675
KSC	5,097	4,901
GSC	1,786	1,856
UNHM	921	913
Total USNH FTEs	27,911	27,319
NH Resident	16,537	15,691
Nonresident	11,374	11,628
Total USNH FTEs	27,911	27,319

*excludes UNH School of Law with 2014 enrollment of 326 students

over the full year rather than just during the traditional semesters. Along with successful short semesters during the winter break, the USNH campuses are expanding online as well as summer session courses to increase capacity for additional enrollments without adding significant costs. Summer housing opportunities are also being added to complement these programs. The residential campuses are also recruiting more international students to boost revenues and enhance student experiences for the global economy.

Financial aid expenditures in 2014 also increased over 2013 for both resident and nonresident students. Resident student aid increases resulted from the state's replacement of the UNIQUE annual grant awards (\$1 million). UNH also increased need-based institutional financial aid for undergraduate resident and non-resident students by \$1 million and \$4 million over the 2013 levels, respectively.

State general appropriations increased to \$69 million for fiscal year 2014, but remain well below the \$100 million provided from 2009 through 2011. As shown in Chart 3 below, the only revenue stream not keeping pace with inflation over the past 2.5 decades is the general appropriation. The 2015 appropriation is budgeted at \$84 million as USNH continues to partner with the state by freezing resident tuition and increasing student financial aid.

Increases in tuition and fee rates and changes in demographics have resulted in pressure on enrollments. As shown above, most campuses experienced enrollment reductions in 2014. The 2014 twelve month system-wide credit-bearing headcount was 33,607 students in 2014; down 419 from the 34,026 students served in 2013.

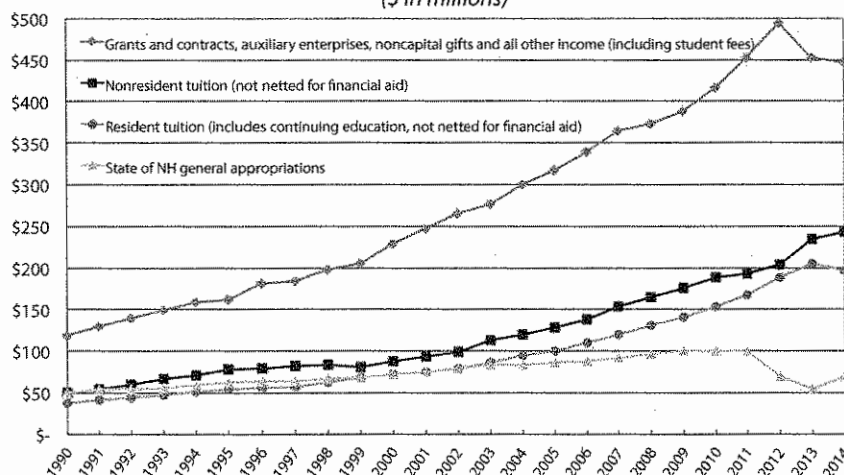
As seen in Table 2 below, UNH had a reduction in applications for the fall of 2012 followed by a large increase in applicants for the fall of 2013. While the selectivity ratio was the same as 2013, fewer students matriculated, consistent with the enrollment figures above. Approximately 50% of new UNH students in the fall of 2013 ranked in the top 25% of their high school class reflecting the continued quality of the population.

Table 2: Freshman Applications, Acceptances and Enrollees at UNH at Durham* for the Fall of Each Year

	2009	2010	2011	2012	2013
Freshman applications received	16,132	16,545	17,344	17,234	17,938
Freshman acceptances as % of applications (selectivity ratio)	72%	73%	74%	78%	78%
Freshman enrolled as % of acceptances (matriculation yield)	26%	24%	23%	22%	16%

*Data for the flagship campus is included herein as part of the annual continuing disclosure requirements related to USNH's outstanding bond obligations. Comparable data for other campuses is available upon request.

Chart 3: Twenty-five Year Revenue Comparison (not including capital additions/deductions) (\$ in millions)



Auxiliary revenues grew \$5 million from 2013 to 2014. The majority of the increase related to UNH operations. UNH Housing and Dining revenues increased approximately \$2 million over the prior year. In addition, UNH's electricity and renewable energy tax credit sales totaled \$4 million in 2014, \$2 million over the 2013 levels. The energy cost savings and third-party sales generated by the EcoLine project are earmarked to support UNH programs and strategic initiatives, plant renewal and adaption, and an unrestricted quasi-endowment fund also targeted for future plant needs.

Grant revenues were down \$15 million in 2014 or 12% from 2013. The large decrease in 2014 was primarily due to completion of the Broadband Technology Opportunities Program (BTOP) grant at

All campuses are implementing multiple strategies to address enrollment declines and generate revenues from facilities usage

UNH (\$13 million). This high-impact project involved running 756 miles of 'dark' fiber thereby providing access to high-speed internet capability for the vast majority of the state. Much of the cost of this project represents subcontracts included in supplies and services expenses. These costs totaled \$3 million in 2014 compared to \$15 million in 2013.

The 2014 increase in other operating revenues was primarily due to \$1 million in additional fees for the Navitas program at UNH. This program recruits international students and brings them to campus each summer to ease their transition into undergraduate programs while also generating housing, dining, and English-as-Second-Language program fees.

The decrease in noncapital gifts of \$3 million from 2013 to 2014 was due to one-time pledges to the UNH Foundation made in the prior year. The endowment and investment income total for 2014 is made up of \$4 million in short-term investment earnings and \$22 million in endowment, trust and annuity distributions for the year. This compares to \$2 million in short-term investment income and \$19 million in endowment, trust and annuity distributions in 2013. The payout from the USNH endowment pool totaled \$13 million in 2014, compared to \$11 million in 2013. After being held constant since 2010, the payout rate for the USNH endowment pool increased by 5% in 2014. The UNH Foundation endowment payout totaled \$8 million and \$7 million in 2014 and 2013, respectively. The UNHF endowment pool payout rate has remained constant since 2009. The endowment administration fee is capped at 1% of the prior calendar year end value per unit for both pools.

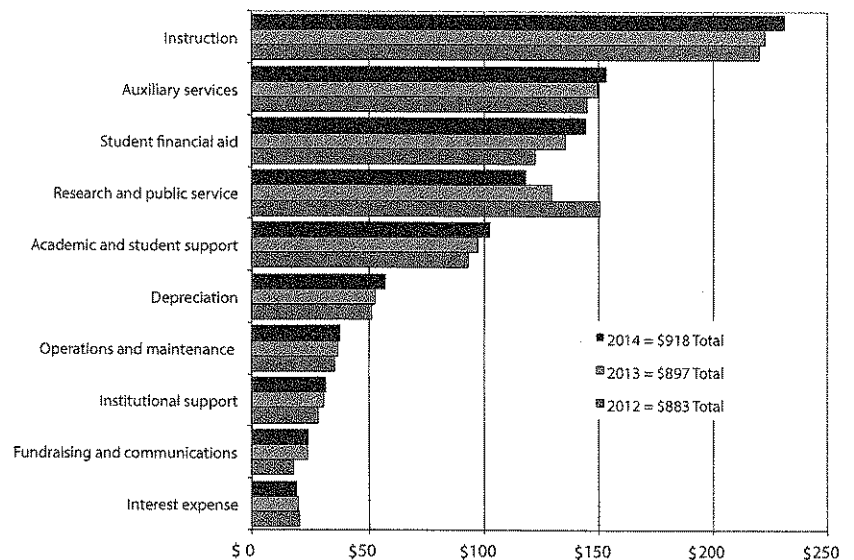
B. Cost Containment

USNH overall expenses increased by \$13 million, or 1.6%, from 2013 to 2014. The majority of the increase relates to the change in nongrant employee compensation of \$17 million or 4.0%. The compensation increase includes separation incentive expenses of \$5 million in 2014 compared to \$1 million in 2013. The three residential campuses are using separation incentives as one part of their strategies to address recent enrollment declines. The remainder of the compensation increase (\$13 million or 3.1% over 2013) represents performance-based salary and benefit cost increases for faculty and staff.

Chart 4 displays USNH's operating expenses for the past three years by functional, rather than natural, classification. As the chart shows, increases in expenses associated with financial aid have far outpaced increases in general overhead expenses in the last several years. The decrease in research and public service costs from 2012 represents the disaffiliation of NHPB from USNH, as well as reductions in the BTOP grant. Utility costs, a component of operations and maintenance, increased \$2 million in 2014 due to the harsh winter. To address these increases, representatives from all campuses worked together during the year to combine our fuel

purchasing power and generate utility cost savings for future years. PSU also recently converted its cogeneration plant from biodiesel to compressed natural gas fuel. The conversion costs had a one year payback. Accordingly, PSU expects to generate additional energy cost savings in the near term, while also reducing its carbon footprint. General administrative overhead, shown as institutional support, is one of the smallest components of USNH expenses and is also well-controlled.

Chart 4: Expenses By Functional Classification
(*\$ in millions*)



C. Investing Activities

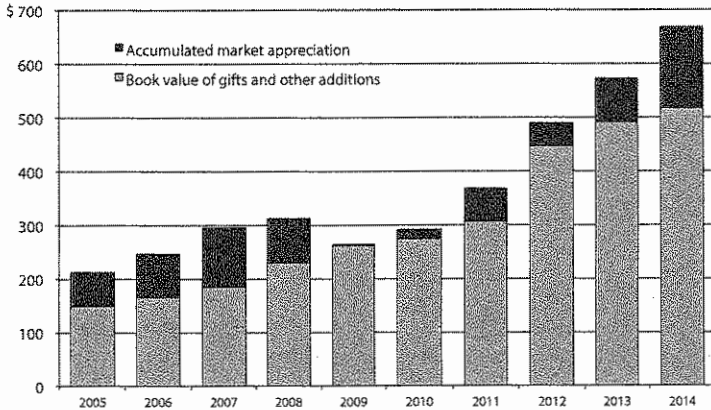
Endowment gifts are invested in one of three venues depending on whether the donor contributed to a campus, the UNH Foundation (UNHF), or the Keene Endowment Association (KEA). Most endowment funds are invested in one of two investment pools: the USNH Consolidated Endowment Pool (CEP) for the benefit of several campuses or the UNHF endowment pool for the benefit of UNH only. The investment pools are managed to provide the highest rate of return over the long term given an acceptable level of risk as determined by the responsible fiduciaries. The USNH Board of Trustees has fiduciary responsibility for the CEP, whereas the separate boards of UNHF and KEA have their own investment policies and are responsible for those investments.

The UNH School of Law maintained its own endowment pool through December, 2013. All investments in the UNHL endowment pool were liquidated in the fall of 2013. Per the terms of the integration agreement, a portion of the proceeds was used to redeem the outstanding UNHL bonds in December, 2013 (\$12 million). The remaining proceeds (\$14 million) were transferred to the UNH Foundation, and invested in the UNHF endowment pool in January, 2014.

The two primary pools (USNH and UNHF) returned 17.2% and 16.2% in 2014, respectively. The average returns for the past five

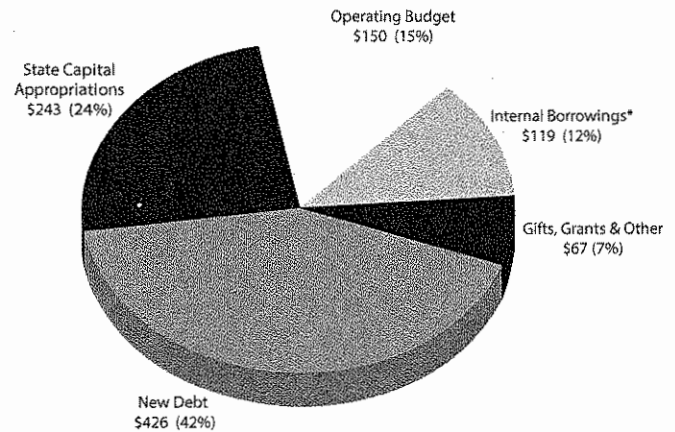
years for each pool were 10.8% and 12.5%, respectively. Chart 5 below presents the historic book value and market appreciation of USNH's endowment funds for the past ten years. USNH is continuing to build the endowment by investing assets to generate improved total returns while managing risk, and working to foster philanthropic interest to support the endowment with new giving. (See Notes 4 and 11 for further information on endowment and similar investments.)

Chart 5: Total USNH Endowment & Similar Funds (includes UNHF & KEA) Ten-Year Growth (\$ in millions)



Certain projects were also made possible through gift and grant awards. UNH completed construction of the new Peter T. Paul College of Business and Economics in 2013 with funds donated by alumnus Peter Paul, other alumni and University supporters, and supplemented by internal borrowings. The facility showcased UNH's commitment to Leadership in Energy and Environmental Design (LEED), and was designed to the LEED Gold standard. In 2013 KSC also opened a new Technology, Design and Safety Center to house its Architecture, Sustainable Product Design and Innovation, and Safety and Occupational Health Sciences programs. The building was designed to the LEED Platinum standard, and the cost (\$16 million) was also supported by donors and campus funds. PSU also converted underutilized student housing, Samuel Read Hall, into academic space supporting its new Nursing program. This innovative change will help meet a key STEM need in the state. The renovation was funded with campus resources and internal borrowings.

Chart 6: Capital Funding Sources, 2001-2014 Total = \$1 Billion (\$ in millions)



*excludes amounts committed but not yet spent as of June 30, 2014

D. Capital Spending

As shown in Chart 6, USNH spent over \$1 billion during the past fourteen years to construct and renovate buildings and infrastructure at all campuses. The largest source of funding for the related projects was debt issuances of \$426 million for student housing, dining and recreation facilities as well as the UNH EcoLine project discussed previously.

Capital appropriations from the state were the second largest source of funding for capital needs during this period. USNH's capital appropriation for the current biennium was reduced to \$8 million from the previous \$35 million level as the state struggled to balance needs of priority projects. However, over the past six biennia USNH was the beneficiary of \$235 million in capital appropriations through a program known as the Knowledge Economy Education Plan for New Hampshire (KEEP-NH). Those appropriations were primarily used to renovate and upgrade key science and technology buildings on all campuses and address infrastructure needs. The projects included ground-up renovations to the Demerritt, James, Kingsbury, Murkland, and Parsons Halls at UNH; Boyd Hall at PSU; Mason Library and the Putnam Science Center at KSC. A portion of the funds also supported the purchase of the Conway Technology Center at GSC.

Many additional projects were funded with institutional resources, including amounts budgeted annually for renovation and adaption of facilities, and funds borrowed from internal reserves.

Because of the limited capital appropriation in the current biennium, the USNH Administrative Board and Board of Trustees approved several new borrowings from internal reserves in 2014 to fund additional campus construction and renovation projects. The related borrowings at UNH will fund renovations to McConnell Hall (\$8 million) and Hamilton-Smith Hall (\$37 million), as well as several auxiliary projects (\$16 million). At PSU new borrowings will be used to fund infrastructure improvements (\$2 million) and the ALLWell North center (\$16 million). ALLWell North is phase 2 of the Active Living Learning Wellness Complex and will provide space for PSU's Health and Human Performance program, along with a field house and 200-meter indoor track. The total cost of the project is \$32 million, with the remainder supported by donors as well as other external sources and campus funds. An additional borrowing was also approved to fund the purchase of the Gateway Center location at GSC (\$4 million).

III. Using the Financial Statements

A. Statement of Net Position

The Statement of Net Position ("balance sheet") depicts the financial position of USNH at one point in time – June 30 – and includes all assets, deferred outflows of resources, and liabilities of USNH. The total net position represents the residual interest in the University System's assets and deferred outflows after deducting liabilities. Over time, an increase in net position is one indicator of an institution's improving financial health. Factors contributing to future financial health as reported on the statement of net position include the value and liquidity of financial investments; depreciated values of buildings and equipment; and current balances of related debt obligations. Table 3 below shows condensed information from the Statements of Net Position at June 30 for the past five years.

Table 3: Condensed Information from the Statements of Net Position as of June 30, (\$ in millions)

	2010	2011	2012	2013*	2014
Cash and short term investments	\$ 262	\$ 301	\$ 200	\$ 223	\$ 235
Endowment and similar investments	291	368	489	571	667
Property and equipment, net	935	931	957	984	982
Other assets and deferred outflows of resources	101	114	112	98	96
Total Assets and Deferred Outflows of Resources	1,589	1,714	1,758	1,876	1,980
Postretirement medical benefits	47	53	52	55	51
Derivative instruments - interest rate swaps	28	25	45	31	30
Long-term debt	472	468	453	454	431
Other liabilities	148	160	159	147	150
Total Liabilities	695	706	709	687	662
Net investment in capital assets	485	491	522	550	574
Restricted financial resources	260	309	294	357	397
Unrestricted financial resources	149	208	233	282	347
Total Net Position	\$ 894	\$1,008	\$1,049	\$1,189	\$1,318

*Beginning balances restated to include UNH School of Law. See Note 1 for more information in this regard.

Over the five year period shown, total assets and deferred outflows of resources increased by \$391 million or 25%. The major components of assets are cash and short term investments, endowment and similar investments, and property and equipment. Endowment investments were valued at \$667 million as of June 30, 2014, an increase of \$96 million from 2013 and \$376 million since 2010. The endowment asset values are reflective of prevailing economic conditions each year (see the Investing Activities discussion for additional information). Deferred outflows of resources include the fair value of USNH's interest rate swap derivatives and the unamortized net book loss on debt refinancings. USNH entered into the swap agreements to reduce effective interest and synthetically fix rates over the term of the respective debt issues. Because the interest-rate swaps are deemed to be effective hedge instruments, the fair value of the derivatives is recorded to offset the interest rate swap liability in its entirety. (See Notes 8 and 9 for further discussion of outstanding debt and related interest rate swaps in place.) USNH's largest liabilities are long-term debt and postretirement

medical benefits. Long-term debt includes bonds and capital leases payable. A large portion of the reduction in long-term debt from 2013 to 2014 is related to the early payoff of the UNH School of Law bonds (\$12 million) as required by the integration agreement. This payment was funded by liquidation of quasi-endowment investments. (See Notes 1 and 8 for additional information in this regard.) Other liabilities include accounts payable, accrued employee benefits, government advances refundable (amounts provided by the US Government under the Perkins Loan Program that would be refundable should USNH cease operating its revolving loan programs), and interest rate swap liabilities related to derivative instruments. The decline in the swap liabilities in 2013 and 2014 is due to the decline in prevailing interest rates.

The net position is reported in three categories. The net investment in capital assets amount represents the historical cost of property and equipment reduced by total accumulated depreciation and the balance of related debt outstanding. Restricted financial resources include balances expendable for specific purposes, such as scholarships or student loans. Restricted balances also include certain endowment and similar amounts which are required to be invested in perpetuity (\$224 million and \$213 million at June 30, 2014 and 2013, respectively).

Unrestricted financial resources represent balances that are not subject to externally imposed restrictions governing their use. This includes unrestricted current fund balances, balances in unrestricted loan funds, unrestricted funds functioning as endowment, unexpended plant funds, and unrestricted funds held by affiliated entities. Approximately \$62M of the

increase in unrestricted financial resources from 2010 to 2014 represents investment earnings. USNH current fund balances include amounts held for construction and renovation of facilities of approximately \$160 million and \$76 million at June 30, 2014 and 2013, respectively. (See Note 14 for further details on the components of net position.)

B. Statement of Revenues, Expenses and Changes in Net Position

This statement reports total operating revenues, operating expenses, other revenues and expenses, and other changes in net position, as prescribed and defined by the Governmental Accounting Standards Board (GASB). Factors contributing to the health of the institution as shown on the statement below include the size and quality of student enrollments; quality and distinction of the faculty; growth and diversification of revenue streams; and prudence in management of costs.

There are three major components which management considers separately when analyzing USNH revenues, expenses and changes in net position: net income from recurring activities; endowment gifts and net return; and capital appropriations and other plant changes. Table 4 below shows condensed information from the Statement of Revenues, Expenses and Changes in Net Position for the five years ended June 30, 2014.

The increase in net position from recurring activities (also referred to as operating margin) is further broken down into operating revenues, operating expenses, and nonoperating revenues (expenses).

Table 4: Condensed Information from the Statements of Revenues, Expenses and Changes in Net Position for the Years Ended June 30,
(\$ in millions)

	2010	2011	2012	2013*	2014
Tuition and fees	\$369	\$391	\$428	\$466	\$465
Less: student financial aid	(110)	(121)	(122)	(135)	(144)
Net tuition and fees	259	270	306	331	321
Sales of auxiliary services	188	192	195	198	203
Grants and contracts	144	171	182	166	152
State general appropriations	100	100	51	54	69
Noncapital gifts, investment income and other revenues	57	57	54	61	65
Total Operating and Nonoperating Revenues	748	790	788	810	810
Employee compensation	444	471	460	465	481
Supplies and services	174	202	211	204	195
Utilities, depreciation and interest	87	89	89	93	98
Other expenses	25	-	-	-	-
Total Operating and Nonoperating Expenses	730	762	760	762	774
Increase in Net Position from Recurring Activities	18	28	28	48	36
Endowment gifts and returns, net	25	56	(14)	50	83
State capital appropriations and other changes, net	30	30	27	14	10
Total Other Changes in Net Position	55	86	13	64	93
Total (Decrease) Increase in Net Position	\$ 73	\$114	\$ 41	\$112	\$129

*Beginning balances restated to include UNH School of Law. See Note 1 for more information in this regard.

delivery of USNH programs. In other words, the regular operating expenses of USNH are funded in part by revenues not shown as operating revenues under GASB formats.

The increase in net position from recurring activities totaled \$36 million in 2014, compared to \$48 million in 2013, and \$28 million in both 2011 and 2012. Endowment gifts and net returns totaled \$83 million in 2014, compared to \$50 million in 2013. In 2014 this includes \$11 million of gifts to endowment funds and endowment gains of \$72 million, net of distributions. By comparison, endowment gifts totaled \$12 million in 2013 and endowment gains totaled \$38 million, net of distributions. Market losses impacted the endowment returns in 2012. USNH also recorded a \$6 million loss on NHPB's disaffiliation from USNH that year which is included in state capital appropriations and other changes.

C. Statement of Cash Flows

The Statement of Cash Flows summarizes transactions affecting cash and cash equivalents during the fiscal period. Table 5 below shows summary information from the Statements of Cash Flows for the five years ended June 30, 2014.

The primary purpose of the Statement of Cash Flows is to provide relevant information about the cash receipts and cash payments of USNH during the year. In addition, it should help readers assess the ability of USNH to generate the future cash flows necessary to meet its obligations and evaluate its potential for additional financing. Cash flows from operating activities will always be different than the operating loss on the Statements

Table 5: Condensed Information from the Statements of Cash Flows for the Years Ended June 30,
(\$ in millions)

	2010	2011	2012	2013*	2014
Cash flows from:					
Receipts from tuition and fees, net	\$ 260	\$273	\$305	\$331	\$321
Receipts from sales of auxiliary services	187	191	195	197	204
Receipt of state general appropriations	100	100	51	53	69
Noncapital gifts, grants and other receipts	142	203	217	199	192
Payments to and on behalf of employees	(440)	(459)	(462)	(467)	(478)
Payments for supplies and services	(191)	(222)	(227)	(223)	(223)
Net Cash Provided by Operating and Noncapital Financing Activities	58	86	79	90	85
Net Cash Used in Capital Financing Activities	(54)	(35)	(67)	(73)	(75)
Net Cash Provided by/(Used in) Investing Activities	6	(75)	(69)	(16)	(10)
Increase/(Decrease) in Cash and Cash Equivalents	\$ 10	\$(24)	\$(57)	\$ 1	\$ -

*Beginning balances restated to include UNH School of Law. See Note 1 for more information in this regard.

Operating expenses are defined as costs incurred in the normal operation of USNH, including a provision for estimated depreciation on property and equipment assets (\$57 million and \$53 million in 2014 and 2013, respectively). Operating revenues are generally earned in exchange for providing goods and services. However, GASB reporting standards require certain significant recurring revenues to be shown as nonoperating, including state general appropriations, federal Pell grants, noncapital gifts, operating investment income, and endowment return used in operations. These diversified revenue streams are critically important sources of funds used to supplement tuition and fees revenue in the

of Revenues, Expenses and Changes in Net Position because of the inclusion of noncash items, such as depreciation expense, and because the latter statement is prepared on the accrual basis of accounting, meaning that it shows revenues when earned and expenses as incurred.

Cash flows from state general appropriations reflect the \$49 million (49%) reduction in 2012, and the partial appropriation recoveries in 2013 and 2014. This is offset by increases in cash flows from tuition and fees. The \$10 million decrease in cash from tuition and fees in 2014 is attributable to the increase in student financial aid during the year. The reductions in cash flows from noncapital gifts, grants and other revenues in 2014 and 2013 are primarily due to reduced grant activity at UNH as the broadband fiber project discussed above was completed. The net cash used in investing activities total of \$69 million in 2012 includes USNH's investment of \$125 million in the Long-term Treasury Investments quasi-endowment fund to reduce volatility of operating investment income streams, offset by the impact of the related reduction in short-term investments. Similarly, the \$75 million of net cash used in investing activities in 2011 reflects the movement of cash equivalents into short-term investment instruments to increase returns.

D. Financial Indicators

The two key performance indicators used by USNH are the operating margin and the unrestricted financial resources (net position) to total debt ratios. Management monitors these ratios often and considers them primary indicators of USNH's financial health.

The operating margin ratio uses the increase in net position from recurring activities as the numerator and total revenue from recurring activities as the denominator. USNH's targeted annual operating margin range is 3% to 5% per year. As shown in Chart 7, actual operating margins from 2010 through 2014 ranged from 2.6% to 6.0%. USNH's operating margin was 4.5% for 2014. The average margin over the past five years was 4.0%, reflecting the targeted balance of strategic spending and investment of resources.

The unrestricted financial resources to debt ratio, shown in Chart 8 above, uses the unrestricted net position balance as the numerator and the total long-term debt balance outstanding as the denominator. USNH's targeted unrestricted financial resources to debt ratio is 40% or above. The calculated ratio at June 30, 2014 was 80%, compared to 62% as of June 30, 2013. The average of this ratio over the past five years was 54%. As discussed above, a significant portion of the unrestricted net position balance reflects accumulations in unrestricted quasi-endowment funds held for future principal payments due on certain bonds outstanding. These amounts have grown substantially over the past three years as the markets rebounded. The fair value of the related investments increased from \$38 million at June 30, 2012 to \$65 million at June 30, 2014. In addition, approximately \$160 million of the unrestricted net position balance at June 30, 2014 is expected to be spent on approved capital projects in the next few years. Accordingly, this ratio is expected to decrease toward the targeted level as the

Chart 7: Annual Operating Margin

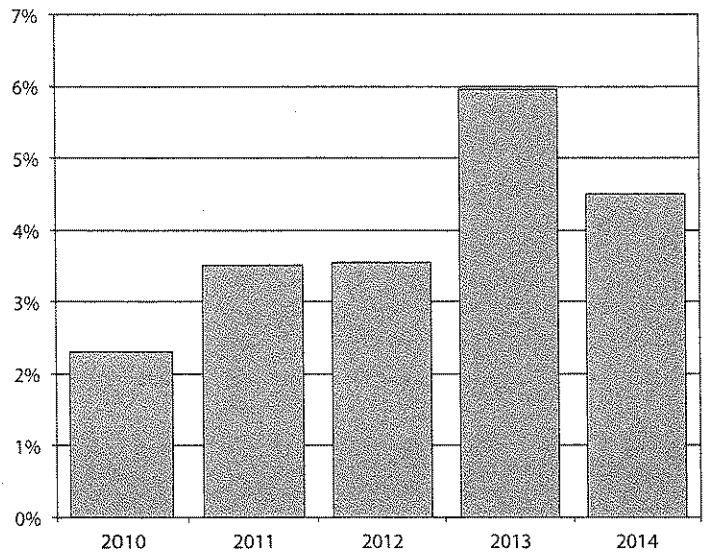
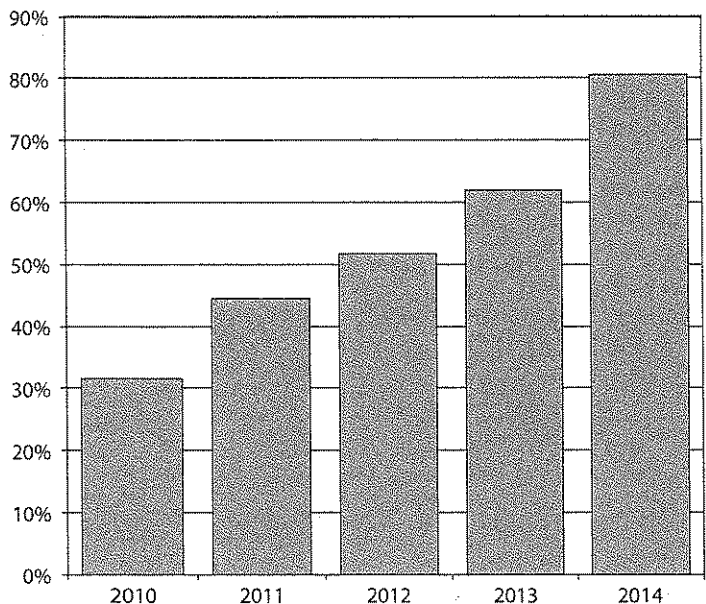


Chart 8: Unrestricted Financial Resources to Total Debt



related cash and short-term investment balances are expended on longer-term plant assets. (See Notes 8 and 14 for additional information in this regard).

UNIVERSITY SYSTEM OF NEW HAMPSHIRE
STATEMENTS OF NET POSITION
(\$ in thousands)

ASSETS	Balance at June 30,	
	2014	2013
Current Assets		
Cash and cash equivalents	\$ 80,339	\$ 80,120
Short-term investments	154,291	142,495
Accounts receivable, net	20,964	22,588
Pledges receivable, net - current portion	1,582	1,504
Notes receivable, net - current portion	4,797	4,907
Prepaid expenses and other current assets	8,815	8,860
Total Current Assets	270,788	260,474
Noncurrent Assets		
Endowment and similar investments - campuses	469,889	397,449
Endowment and similar investments - affiliated entities	196,966	173,066
Pledges receivable, net	5,593	4,899
Notes receivable, net	19,416	20,337
Property and equipment, net	982,276	984,265
Total Noncurrent Assets	1,674,140	1,580,016
TOTAL ASSETS	1,944,928	1,840,490
DEFERRED OUTFLOWS OF RESOURCES		
Accumulated decrease in fair value of hedging derivatives	29,828	30,631
Accounting loss on debt refinancings, net	5,573	5,661
TOTAL DEFERRED OUTFLOWS OF RESOURCES	35,401	36,292
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	45,989	51,626
Construction services payable	8,141	5,583
Deposits and unearned revenues	32,846	33,925
Accrued employee benefits - current portion	8,681	6,853
Postretirement medical benefits - current portion	4,871	5,425
Long-term debt - current portion	50,246	51,933
Total Current Liabilities	150,774	155,345
Noncurrent Liabilities		
Obligations under life income agreements	2,625	2,486
Refundable government advances	16,909	16,545
Accrued employee benefits	34,969	30,831
Postretirement medical benefits	46,590	49,080
Derivative instruments - interest rate swaps	29,828	30,631
Long-term debt, net of current portion	380,323	402,517
Total Noncurrent Liabilities	511,244	532,090
TOTAL LIABILITIES	662,018	687,435
NET POSITION (see Note 14)		
Net investment in capital assets	574,302	550,778
Restricted		
Nonexpendable	223,847	213,057
Expendable	173,590	143,951
Unrestricted	346,572	281,561
TOTAL NET POSITION	\$1,318,311	\$1,189,347

See accompanying notes to the financial statements.

UNIVERSITY SYSTEM OF NEW HAMPSHIRE
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(\$ in thousands)

OPERATING REVENUES	For the year ended June 30,	
	2014	2013
Resident tuition	\$ 176,872	\$ 185,758
Nonresident tuition	242,437	234,323
Continuing education tuition	19,848	19,359
Student fees revenue	26,108	26,478
Total tuition and fees	465,265	465,918
Less: student financial aid - grants and contracts	(33,654)	(31,897)
Less: student financial aid - all other	(110,561)	(103,153)
Net tuition and fees	321,050	330,868
Grants and contracts - direct revenues	106,317	120,818
Grants and contracts - facilities & administrative recovery	19,756	19,768
Sales of auxiliary services	202,804	197,814
Other operating revenues	26,984	24,976
Total Operating Revenues	676,911	694,244
OPERATING EXPENSES		
Employee compensation - grants and contracts	58,362	59,421
Employee compensation - all other	422,537	405,932
Supplies and services - grants and contracts	36,876	48,810
Supplies and services - all other	158,580	155,536
Utilities	21,836	19,721
Depreciation	57,192	52,769
Total Operating Expenses	755,383	742,189
Operating loss	(78,472)	(47,945)
NONOPERATING REVENUES (EXPENSES)		
State of New Hampshire general appropriations	69,000	53,647
Federal Pell grants	25,915	25,210
Noncapital gifts	11,711	14,797
Endowment and investment income	26,672	21,606
Interest expense, net	(18,786)	(19,453)
Other nonoperating revenue (expense)	363	347
Total Nonoperating Revenues (Expenses)	114,875	96,154
INCREASE IN NET POSITION FROM RECURRING ACTIVITIES	36,403	48,209
OTHER CHANGES IN NET POSITION		
State of New Hampshire capital appropriations	5,997	6,804
Plant gifts, grants and other changes, net	3,791	6,856
Endowment and similar gifts	10,887	11,999
Endowment return, net of amount used for operations	71,886	38,369
Total Other Changes in Net Position	92,561	64,028
INCREASE IN NET POSITION	128,964	112,237
Net position at beginning of year	1,189,347	1,077,110
NET POSITION AT END OF YEAR	\$1,318,311	\$1,189,347

See accompanying notes to the financial statements.

UNIVERSITY SYSTEM OF NEW HAMPSHIRE
STATEMENTS OF CASH FLOW
(\$ in thousands)

	For the year ended June 30,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tuition and fees, net	\$320,968	\$330,512
Receipts from operating grants and contracts	128,411	139,936
Receipts from sales of auxiliary services	203,731	197,143
Receipts from other operating revenues	26,766	22,991
Payments to employees	(364,067)	(353,934)
Payments for employee benefits	(114,017)	(113,399)
Payments for supplies and services	(222,743)	(222,646)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(20,951)	603
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State general appropriations	69,000	53,647
Federal Pell and other nonoperating grants	26,278	25,556
Noncapital gifts	10,768	10,931
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	106,046	90,134
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
State appropriations for plant projects	5,233	8,461
Plant gifts and grants	4,148	8,245
Endowment gifts	10,908	11,863
Purchases and construction of property	(53,188)	(72,687)
Proceeds from issuance of debt	22,169	—
Retirement of debt through defeasance	(21,605)	—
Debt principal payments	(23,731)	(9,755)
Interest payments	(19,011)	(19,349)
NET CASH USED IN CAPITAL FINANCING ACTIVITIES	(75,077)	(73,222)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	378,316	428,356
Purchase of investments	(394,679)	(454,069)
Endowment investment income	6,479	8,537
Operating investment income	85	212
NET CASH USED IN INVESTING ACTIVITIES	(9,799)	(16,964)
Increase/(Decrease) in cash and cash equivalents	219	551
Beginning cash and cash equivalents	80,120	79,569
ENDING CASH AND CASH EQUIVALENTS	\$ 80,339	\$ 80,120
Ending cash and cash equivalents, as above	\$ 80,339	\$ 80,120
Short-term investments	154,291	142,495
TOTAL CASH, CASH EQUIVALENTS, & SHORT-TERM INVESTMENTS	\$234,630	\$222,615
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES		
Operating loss	\$ (78,472)	\$ (47,945)
Adjustments to reconcile operating loss to net cash provided by/(used in) operating activities:		
Depreciation and amortization	57,192	52,769
Changes in current assets and liabilities:		
Accounts receivable	2,387	3,087
Notes receivable	1,393	(492)
Prepaid expenses and other current assets	45	(492)
Accounts payable and accrued expenses	(5,727)	(2,928)
Deposits and unearned revenues	(576)	(6,010)
Accrued employee benefits	2,807	2,615
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	\$(20,951)	\$ 604
SIGNIFICANT NONCASH TRANSACTIONS		
Endowment return, net of amount used for operations	\$ 71,886	\$ 38,369
Loss on disposal of capital assets	(587)	(1,388)

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

1. Summary of significant accounting policies and presentation

The University System of New Hampshire (USNH) is a not-for-profit institution of higher education created in 1963 as a body politic and corporate under the laws of the State of New Hampshire (the state) and is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. USNH is considered a component unit of the state for financial reporting purposes. The accompanying financial statements include the accounts of the University of New Hampshire (UNH), Plymouth State University (PSU), Keene State College (KSC), and Granite State College (GSC) as well as certain affiliated entities discussed below. UNH, PSU, KSC and GSC are collectively referred to in the accompanying financial statements as "campuses."

Affiliated entities and related parties

Governmental accounting standards require that all potential component units be evaluated for inclusion in the financial statements of the primary government of the reporting entity. USNH's policy on 'Foundations Established for the Benefit of USNH or its Component Institutions' states that the USNH Board of Trustees retains control over the activities of any affiliated foundation. The USNH policy further states that USNH has the legal authority to terminate the existence of any affiliated foundation, at which time ownership of the related assets would revert to USNH. Two legally separate affiliated foundations are impacted by this policy and, accordingly, are considered component units of USNH. The University of New Hampshire Foundation, Inc. (UNHF) and the Keene Endowment Association (KEA) are collectively referred to in the accompanying financial statements as "affiliated entities." The associated revenues, expenses, assets, liabilities, deferred outflows and net position of UNHF and KEA are fully blended with those of the campuses in the accompanying financial statements, and all associated intercompany activity has been eliminated.

The University of New Hampshire Foundation, Inc. was incorporated in 1989 as a not-for-profit, tax-exempt organization. Its purpose is to solicit, collect, invest and disburse funds for the sole benefit of the University of New Hampshire. UNHF is governed by its own Board of Directors, the membership of which includes the President of the University of New Hampshire and three other members of the USNH Board of Trustees. The University of New Hampshire funds a portion of the operating expenses of UNHF. UNHF has a separate financial statement audit each year. Condensed financial information for UNHF is included in Note 15. The Keene Endowment Association was organized in 1957 as a separate charitable entity to provide financial assistance to deserving students at Keene State College. Income is distributed at the discretion of the Trustees of KEA.

On August 31, 2010, UNH and Franklin Pierce Law Center officially affiliated and the Center became known as the UNH School of Law (UNHL). UNH School of Law's affiliation with UNH created new partnerships, particularly in research and commercialization as the only law school in the State of New Hampshire. During 2013, the USNH Board of Trustees and the UNH School of Law Board of Directors each approved a full integration agreement between the two entities with an effective date of January 1, 2014, as described more fully below.

Basis of accounting

The accompanying financial statements have been prepared in accordance with US generally accepted accounting principles (GAAP) prescribed by the Governmental Accounting Standards Board (GASB) using the economic resources measurement focus and the accrual basis of accounting.

USNH follows the requirements of the "business-type activities" (BTA) model as defined by GASB Statement No. 35, Basic Financial Statements – and Management's Discussion and Analysis for Public Colleges and Universities. BTAs are defined as those that are financed in whole or in part by fees charged to external parties for goods or services. GASB requires that resources be classified into the following net position categories, as more fully detailed in Note 14:

- **Net investment in capital assets:** Property and equipment at historical cost or fair value on date of acquisition, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition or construction of those assets.
- **Restricted Nonexpendable:** Resources subject to externally imposed stipulations that they be maintained permanently by USNH. Such funds include the historical gift value of restricted true endowment funds.
- **Restricted Expendable:** Resources whose use by USNH is subject to externally imposed stipulations. Such funds include the accumulated net gains on donor-restricted "true" endowment funds; the fair value of restricted funds functioning as endowment; restricted funds loaned to students; restricted gifts and endowment income; and other similarly restricted funds.
- **Unrestricted:** Resources that are not subject to externally imposed stipulations. Substantially all unrestricted net position funds are designated to support academic, research, or auxiliary enterprises; invested to function as endowment; or committed to capital construction projects.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates. The most significant areas that require management estimates relate to valuation of certain investments and derivative instruments, useful life and related depreciation of capital assets, and accruals for postretirement medical and other employee-related benefits.

Investments are maintained with established financial institutions whose credit is evaluated by management and the respective governing boards of USNH and its affiliated entities. Investments of operating cash in money market and other mutual funds are generally recorded as cash equivalents and are invested for purposes of satisfying current operating liabilities and generating investment income to support ongoing operations. Short-term investments represent highly liquid amounts held for other current liabilities. Net realized and unrealized gains and losses on endowment and similar investments, as well as interest and dividend income, are reported as endowment return. Endowment return used for operations per application of the Board-approved endowment spending policy is reported as nonoperating revenue whereas the excess (deficiency) of endowment return over that used for operations is reported as other changes in net position.

Property and equipment are recorded at original cost for purchased assets or at fair value on the date of donation in the case of gifts. Equipment with a unit cost of \$5,000 or more is capitalized. Building improvements with a cost of \$25,000 or greater are also capitalized. Net interest costs incurred during the construction period for major, debt-funded capital projects are added to the cost of the underlying asset. The value of equipment acquired under capital leases is recorded at the present value of the minimum lease payments at the inception of the lease. Depreciation of property and equipment is calculated on a straight-line basis over the estimated useful lives of the respective assets. The cost of certain research buildings is componentized for the purpose of calculating depreciation. Buildings and improvements are depreciated over useful lives ranging from 10 to 50 years. Depreciable lives for equipment range from 3 to 30 years. (See Note 5 for additional information on depreciation.) USNH does not record donated works of art and historical treasures that are held for exhibition, education, research and public service. Library collections are recorded as an expense in the period purchased, with the exception of UNH School of Law library collections which are capitalized annually and depreciated over a ten year period on a straight-line basis.

Deposits and unearned revenue consist of amounts billed or received in advance of USNH providing goods or services. Advances from the US Government for Federal Perkins Loans to students are reported as government advances refundable. Future loans to students

are made available from repayments of outstanding principal amounts plus accumulated interest received thereon.

Operating revenues include tuition and fees, grants and contracts, sales of auxiliary services, and other operating revenues. Tuition and fee revenues are reported net of student financial aid discounts and allowances. Operating expenses include employee compensation and benefits, supplies and services, utilities, and depreciation. Operating expenses also include early retirement and other separation incentive stipends and benefits promised to certain employees in exchange for termination of employment. All such termination benefits are accrued as of the date the termination agreement is signed, and are presented at net present value at year end. Nonoperating revenues (expenses) include all other revenues and expenses except certain changes in long-term plant, endowment and other net position funds, which are reported as other changes in net position. Operating revenues are recognized when earned and expenses are recorded when incurred. Restricted grant revenue is recognized only to the extent of applicable expenses incurred or, in the case of fixed-price contracts, when the contract terms are met or completed.

Unconditional pledges of nonendowment gifts are presented net of estimated amounts deemed uncollectible after discounting to the present value of expected future cash flows. Because of uncertainties with regard to their realization and valuation, bequest intentions and other conditional promises are not recognized as assets until the specified conditions are met. In accordance with GASB requirements, endowment pledges totaling \$9,621,000 and \$1,880,000 at June 30, 2014 and 2013, respectively, which are expected to be received over the next ten years, have not been reported in the accompanying financial statements. USNH generally uses restricted funds first when an expense is incurred where both restricted and unrestricted funds are available.

The System's financial statements include comparative financial information. Certain prior year amounts have been reclassified to conform to the current year presentation.

Integration of UNH School of Law

As noted above, the UNH School of Law fully integrated with USNH as of January 1, 2014. The integration is treated as a merger in accordance with GASB Statement No. 69, *Governmental Combinations and Disposals of Government Operations*. Accordingly, the activities and balances of the UNH School of Law were merged with those of USNH, and are included in these financial statements as of July 1, 2012. As a private institution, the School of Law formerly followed guidance of the Financial Accounting Standards Board. Certain adjustments were made to balances of the School to conform to GASB requirements. The largest of these adjustments related to reclassification of fixed asset balances from Unrestricted to Net Investment in Capital Assets net position (\$2,316,000). In addition, USNH reclassified \$18,757,000 of Unrestricted net position to Restricted Expendable funds functioning as endowment net position to ensure that future spending of the funds is limited to support of the Law School. Following is a summary of the related beginning balances for the periods presented herein as restated:

	USNH Original Balances as of 7/1/2012	UNH School of Law Balances as of 7/1/2012*	USNH Restated Balances as of 7/1/2012
Current Assets	\$ 233,224	\$ 5,128	\$ 238,352
Noncurrent Assets	1,473,613	38,223	1,511,836
Total Assets	<u>\$ 1,706,837</u>	<u>\$ 43,351</u>	<u>\$ 1,750,188</u>
Total Deferred Outflows	<u>\$ 50,758</u>	-	<u>\$ 50,758</u>
Current Liabilities	\$ 163,612	\$ 2,708	\$ 166,320
Noncurrent Liabilities	545,058	12,458	557,516
Total Liabilities	<u>\$ 708,670</u>	<u>\$ 15,166</u>	<u>\$ 723,836</u>
Net investment in capital assets	\$ 521,736	\$ 2,316	\$ 524,052
Restricted			
Nonexpendable	200,370	3,135	203,505
Expendable	93,487	20,794	114,281
Unrestricted	<u>233,332</u>	<u>1,940</u>	<u>235,272</u>
Total Net Position	<u>\$ 1,048,925</u>	<u>\$ 28,185</u>	<u>\$ 1,077,110</u>

*as restated to conform to GASB presentation

2. Cash, cash equivalents, and short-term investments

Cash, cash equivalents, and short-term investments are recorded at fair value. USNH's investment policy and guidelines specify permitted instruments, durations, required ratings and insurance of USNH cash, cash equivalents and short-term investments. The investment policy and guidelines are intended to mitigate credit risk on investments individually and in the aggregate through restrictions on investment type, liquidity, custodian, dollar level, maturity, and rating category. Specific provisions require that banks in which USNH holds investments must have FDIC or FSLIC insurance and be rated at least A1/P1 by Standard & Poor's and Moody's. Repurchase agreements must be fully collateralized at 102% of the face value by US Treasuries, or 103% of the face value by US Government-backed or guaranteed agencies or government sponsored enterprises. Money market funds must be rated AAA/Aaa by Standard & Poor's and Moody's Investor Service, and comply with Securities and Exchange Commission Rule 2A-7. Other mutual funds must be affiliated with the largest national fund managers. In addition, USNH investments may not exceed 5% of any institution's total deposits or 20% of any institution's net equity.

Cash and cash equivalents:

Cash equivalents represent amounts invested for the purpose of satisfying current operating liabilities and include repurchase agreements, money market funds and other mutual funds. Repurchase agreements are limited to overnight investments only. Cash and cash equivalents at June 30 consisted of the following (\$ in thousands):

	2014		2013	
	Balance	Weighted Average Maturity	Balance	Weighted Average Maturity
Cash balances	\$ 1,837	Less than 1 year	\$ 4,867	Less than 1 year
Repurchase agreement	16,070	Less than 1 year	11,911	Less than 1 year
Money market funds	<u>62,432</u>	Less than 1 year	<u>63,342</u>	Less than 1 year
Total	<u>\$ 80,339</u>		<u>\$ 80,120</u>	

Short-term investments:

Short-term investments are highly liquid amounts held to support specific current liabilities. The components of operating investments at June 30 are summarized below (\$ in thousands):

	2014		2013	
	Balance	Weighted Average Maturity	Balance	Weighted Average Maturity
Obligations of the US Govt.	\$ 2,940	5-10 years	\$ 2,902	5-10 years
Certificates of deposit & money market funds	17,198	Less than 1 year	17,004	Less than 1 year
Other mutual funds	133,976	1-5 years	121,690	1-5 years
Other investments	<u>177</u>	Less than 1 year	<u>899</u>	Less than 1 year
Total	<u>\$ 154,291</u>		<u>\$ 142,495</u>	

Cash, cash equivalents and short-term investments are generally uninsured and uncollateralized against custodial credit risk, and the related mutual funds are not rated.

3. Accounts, pledges and notes receivable

Accounts receivable at June 30 consisted of the following (\$ in thousands):

	2014	2013
Grants and contracts	\$ 16,017	\$ 18,672
Student and general	6,810	6,303
State of NH capital projects	763	-
Allowance for doubtful accounts	<u>(2,626)</u>	<u>(2,387)</u>
Total accounts receivable, net	<u>\$ 20,964</u>	<u>\$ 22,588</u>

Pledges receivable at June 30 consisted entirely of unconditional nonendowment promises to pay as follows (\$ in thousands):

	<u>2014</u>	<u>2013</u>
Pledges receivable	\$ 11,041	\$ 8,383
Discounted allowance for doubtful pledges	(3,866)	(1,980)
Total pledges receivable, net	7,175	6,403
Less: noncurrent portion	(5,593)	(4,899)
Current portion	<u>\$ 1,582</u>	<u>\$ 1,504</u>

Notes receivable at June 30 consisted primarily of student loan funds as follows (\$ in thousands):

	<u>2014</u>	<u>2013</u>
Perkins loans	\$ 24,780	\$ 25,224
Other loans, restricted and unrestricted	1,538	2,147
Allowance for doubtful loans	(2,105)	(2,127)
Total notes receivable, net	24,213	25,244
Less: noncurrent portion	(19,416)	(20,337)
Current portion	<u>\$ 4,797</u>	<u>\$ 4,907</u>

4. Investments

USNH's investment policy and guidelines specify permitted instruments, duration and required ratings for pooled endowment funds. The policy and guidelines are intended to mitigate risk on investments individually and in the aggregate while maximizing total returns and supporting intergenerational equity of spending levels. Illiquid investments are limited to 20% of the USNH consolidated endowment pool. Credit risk is mitigated by due diligence in the selection and continuing review of investment managers as well as diversification of both investment managers and underlying investments. No more than \$50 million may be invested in any single fund and no more than \$75 million or 10% of the pool may be invested with any single bank, fund manager, or investment group. Foreign currency risk is mitigated by limiting global equity investments in publicly traded international and emerging market funds to 25% of the endowment pool. Private global equity investments are limited to 15%, and global sovereign bonds are limited to 10% of the endowment pool, respectively. No USNH endowment investments were denominated in foreign currencies as of June 30, 2014 or June 30, 2013.

The endowment and similar investment holdings of the campuses and affiliated entities as of June 30 are summarized below (\$ in thousands):

	<u>Campuses</u>		<u>Affiliated Entities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Pooled endowments:				
Campuses	\$453,447	\$382,759	-	-
UNH Foundation	-	-	\$184,845	\$162,672
Keene Endowment Assoc.	-	-	7,082	6,124
Life income & annuity funds	156	156	5,039	4,270
Funds held in trust	16,286	14,534	-	-
Total	<u>\$469,889</u>	<u>\$397,449</u>	<u>\$196,966</u>	<u>\$173,066</u>

5. Property and equipment

Property and equipment activity for the years ended June 30, 2014 and 2013 is summarized as follows (\$ in thousands):

	<u>Balance June 30, 2012</u>	<u>2013 Additions & Changes</u>	<u>2013 Retirements</u>	<u>Balance June 30, 2013</u>	<u>2014 Additions & Changes</u>	<u>2014 Retirements</u>	<u>Balance June 30, 2014</u>
Land	\$ 12,926	\$ -	\$ -	\$ 12,926	\$ 461	\$ -	\$ 13,387
Buildings and improvements	1,402,925	84,271	(3,334)	1,483,862	68,617	(1,011)	1,551,468
Equipment	97,372	12,256	(2,139)	107,489	10,636	(7,670)	110,455
Construction in progress, net	90,757	35,239	(64,286)	61,710	45,142	(69,068)	37,784
Total property and equipment	1,603,980	131,766	(69,759)	1,665,987	124,856	(77,749)	1,713,094
Less: accumulated depreciation	(633,018)	(52,789)	4,085	(681,722)	(57,191)	8,095	(730,818)
Property and equipment, net	<u>\$ 970,962</u>	<u>\$ 78,977</u>	<u>\$ (65,674)</u>	<u>\$ 984,265</u>	<u>\$ 67,665</u>	<u>\$ (69,654)</u>	<u>\$ 982,276</u>

Contractual obligations for major construction projects totaled \$39,973,000 and \$1,688,000 at June 30, 2014 and 2013, respectively.

A portion of the UNHL endowment pool assets at June 30, 2013 (\$11,151,000), is included in the Campuses pooled endowments balance above since the funds were used to redeem the UNHL bonds outstanding in December, 2013. The remainder of the UNHL endowment pool assets at June 30, 2013 (\$14,729,000), is included in the UNH Foundation balance above. This presentation provides consistency as the UNHL endowment assets were invested in the UNH Foundation pool upon finalization of the integration in January, 2014.

Endowment investments held at June 30, 2014 include the following (\$ in thousands):

	<u>Campuses</u>		<u>Affiliated Entities</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Money market funds	\$ 20,947	\$ 8,279	\$ 16,747	\$ 18,355
Other mutual funds:				
Domestic equity	96,462	85,288	30,392	23,505
International equity	46,422	42,992	12,384	8,040
Domestic & foreign fixed income	25,037	22,635	9,006	18,386
Inflation hedging assets	-	-	3,941	3,082
Common/preferred stocks:				
Domestic equity	13,006	10,396	3,291	2,716
Fixed income securities:				
Domestic & foreign bonds	-	-	1,030	795
Inflation hedging assets	5,983	5,735	2,559	3,082
Commingled funds:				
Domestic equity	35,063	24,301	24,524	19,170
International equity	34,564	27,332	24,962	18,630
Flexible capital	129,710	111,446	44,787	28,391
Domestic & foreign fixed income	10,215	12,074	-	-
Inflation hedging assets	17,490	15,559	6,972	6,370
Private equity	15,068	14,577	7,521	15,017
Non-marketable real assets	3,626	2,291	3,811	3,256
Other investments	<u>16,296</u>	<u>14,544</u>	<u>5,039</u>	<u>4,271</u>
Total endowment and similar investments	<u>\$469,889</u>	<u>\$397,449</u>	<u>\$196,966</u>	<u>\$173,066</u>

The fair value of investments is based on quoted market prices when available. The estimated fair value of investments without traditional markets (e.g. private equity and non-marketable real assets) is based on valuations provided by primary fund managers and reviewed by management. Because these investments are not readily marketable, their estimated fair values may differ from the values that would have been assigned had a ready market for such investments existed, and such differences could be material. Flexible capital investments include various hedge funds holding long/short positions, and investing in special situations, relative value and other strategies. As of June 30, 2014 and 2013, fixed income securities have weighted average maturities up to 30 years and carried ratings ranging from AAA to A2. The mutual fund investments held in the endowment pools are not rated.

Uncalled commitments with various private equity and similar alternative investment funds totaled \$15,586,000 for USNH and \$9,376,000 for UNHF at June 30, 2014. This compares to \$12,848,000 and \$4,982,000, respectively, at June 30, 2013.

6. Accrued employee benefits

Accrued employee benefits at June 30 were as follows (\$ in thousands):

	Balance June 30, 2012	2013 Payments to/ on behalf of participants	2013 Expenses & Other Changes	Balance June 30, 2013	2014 Payments to/ on behalf of participants	2014 Expenses & Other Changes	Balance June 30, 2014	Current Portion
Operating staff retirement plan	\$ 6,170	\$ (691)	\$ 547	\$ 6,026	\$ (664)	\$ 450	\$ 5,812	\$ 665
Additional retirement program	2,339	(96)	1,065	3,308	(261)	330	3,377	179
Employee separation incentives	4,344	(1,058)	115	3,401	(2,655)	6,526	7,272	5,052
Long-term disability	2,908	(696)	1,220	3,432	(582)	288	3,138	582
Workers' compensation	3,502	(1,148)	376	2,730	(467)	2,237	4,500	691
Compensated absences	18,141	(1,455)	1,814	18,500	(1,484)	2,194	19,210	1,300
Other	1,017	-	(730)	287	(50)	104	341	212
Total accrued employee benefits	<u>\$ 38,421</u>	<u>\$ (5,144)</u>	<u>\$ 4,407</u>	<u>\$ 37,684</u>	<u>\$ (6,163)</u>	<u>\$ 12,129</u>	<u>\$ 43,650</u>	<u>\$ 8,681</u>

The operating staff retirement program has been closed to new participants since 1987. At June 30, 2014 there were approximately 214 current annuitants and 56 participants with deferred benefits, all fully vested. This compares to 223 current annuitants and 61 participants with deferred benefits as of June 30, 2013. USNH has accrued \$5,812,000 and \$6,026,000 for the related obligations as of June 30, 2014 and 2013, respectively. The accruals for the operating staff retirement program are based on the last biennial actuarial valuation calculation dated July 1, 2013. The investment return assumptions (discount rates) used in determining the actuarial accrued liabilities was 8.0% for both 2014 and 2013. Obligations of the program are amortized over one year. USNH had cash and unrestricted funds functioning as endowment assets of \$6,651,000 and \$6,310,000 at June 30, 2014 and 2013, respectively, designated to fund the obligations of the program.

The accumulated operating staff retirement program benefit obligation and funded status at June 30 consisted of the following (\$ in thousands):

	2014	2013
Retired participants and beneficiaries	\$4,606	\$4,732
Active participants	646	658
Other participants	560	636
Accrued pension benefit obligation	5,812	6,026
Less: funds functioning as endowment and other assets available for benefits	(6,651)	(6,310)
Funding in excess of plan liabilities	<u>\$ (839)</u>	<u>\$ (284)</u>

USNH's additional retirement contribution program is mandatory for all newly-hired employees but was optional for employees hired before July 1, 1994. Employees participating in this program have an additional 1% of their salary contributed to their defined contribution retirement plan (see below) by USNH in lieu of postretirement medical benefits. In addition, employees meeting certain service guidelines prior to July 1, 1994 are eligible for a guaranteed minimum retirement contribution. There were 563 and 600 employees meeting these requirements as of June 30, 2014 and 2013, respectively. USNH has accrued \$3,377,000 and \$3,308,000 at June 30, 2014 and 2013, respectively, for the related obligations. The calculations for the additional retirement contribution program are based on the benefits provided by the program at the time of the last biennial actuarial valuation, July 1, 2013, and were developed using the Projected Unit Credit Cost Method. The discount rate used in determining the actuarial accrued liabilities was 2.25% for both 2014 and 2013. Obligations of the program are amortized over one year. USNH had designated cash assets of \$3,377,000 and \$3,308,000 for these obligations as of June 30, 2014 and 2013, respectively, to fund the obligations of the program.

Eligible USNH employees may also elect to participate in defined contribution retirement plans administered by others. Contributions by USNH under these plans ranged from 4% to 11% of eligible salaries for enrolled participants and totaled \$24,596,000 and \$22,722,000 in 2014 and 2013, respectively. Contributions by plan members totaled \$23,507,000 and \$22,369,000 in 2014 and 2013, respectively.

Early retirement and employee separation incentive programs were provided to various faculty and staff during 2014 and 2013. Incentives include stipends, as well as medical, educational and other termination benefits. The net present value of future costs associated with these incentive options is accrued as of the date of acceptance into the program. The liability balances of \$7,272,000 at June 30, 2014, and \$3,401,000 at June 30, 2013, represent obligations for 60 and 120 participants, respectively, which will be remitted in fiscal years 2015 through 2021.

USNH sponsors other benefit programs for its employees, including long-term disability, workers' compensation, and compensated absences. Long-term disability payments are provided through an independent insurer. The associated medical benefits are accrued and paid by USNH until age 65, at which point the postretirement medical plan takes over, if applicable. Workers' compensation accruals include amounts for medical costs and annual stipends. A small number of chronic workers' compensation cases will require stipends and regular employee medical benefits for life. Coverage for such claims is provided through an independent insurer. USNH also accrues amounts for compensated absences as earned. These accrued balances at June 30 represent vacation and earned time amounts payable to employees upon termination of employment.

USNH is self-insured for a portion of certain risks, including workers' compensation, employee long-term disability, certain student health insurance claims. Most employee and retiree medical and dental coverage provided by USNH is also self-insured. The costs of self-insured medical and dental claims and administrative fees totaled \$51,312,000 and \$48,875,000 for fiscal year 2014 and 2013, respectively. These amounts include \$5,799,000 and \$5,618,000 for estimated claims incurred but not reported as of June 30, 2014 and 2013, respectively. In conjunction with the primary medical plan offering for active employees, USNH purchases stop-loss coverage which limits the USNH cost of claims to \$400,000 per participant in most cases. The liabilities recorded in the financial statements for all USNH self-insured programs are developed by management based on historical claims data, and in the opinion of management are expected to be sufficient to cover the actual claims incurred.

The UNH School of Law currently maintains separate medical and retirement programs for its faculty and staff which are administered by third party providers. In accordance with terms of the integration agreement, employees under these plans will be migrated to the USNH primary plans over the next few years.

The USNH Board of Trustees holds authority to change individual programs or terms of employee benefit offerings at any time.

7. Postretirement medical benefits

The primary defined benefit postretirement medical plan, the Medicare Complementary Plan, was optional for all full-time status employees hired before July 1, 1994 and not offered to new employees after that date. At June 30, 2014 and 2013, there were approximately 320 and 337 active employees who, along with their dependents, may eventually be eligible to receive benefits under this program. Retired employees must have reached age 62, completed

at least 10 years of benefits eligible service, participated in the active retirement plans during their last 10 years of service, and participated in USNH's active medical plan at the time of retirement in order to be eligible for the plan. Retirees are not required to contribute to the plan. The plan is a single-employer plan and is funded on a pay-as-you-go basis with benefits paid when due. The USNH Board of Trustees holds the authority to change these benefit plans at any time.

Third party actuaries are used to determine the postretirement benefit obligation and annual expense amounts. Actuarial calculations reflect a long-term perspective. By definition such calculations involve estimates and, accordingly, are subject to revision. The healthcare cost trend and discount rate assumptions have a significant effect on the amounts reported. For measurement purposes the 2014 initial rate of increase in the cost of healthcare services is assumed to be 6.75% for participants age 65 and over and 7.75% for all other participants. The initial increase in the cost of prescriptions is assumed to be 6.75% for participants age 65 and over for 2014. These rates are assumed to decrease gradually to 5.0% by 2021 and remain at approximately that level thereafter. The discount rate used in determining the actuarial accrued liability was 4.75% for both 2013 and 2014. Obligations of the plan are amortized over one year. The actuarial accrued liability as of July 1, 2014, was \$50,209,000. The actuarially determined postretirement benefit expense for the primary plan was \$3,442,000 for 2014 and \$5,022,000 for 2013. These calculations are based on the benefits provided by the plan at the time of the last biennial plan valuation, June 30, 2013, and were developed using the Projected Unit Credit Cost Method. USNH has accrued \$51,113,000 and \$54,158,000

as of June 30, 2014 and 2013, respectively, for obligations of the plan.

Total annual other postemployment benefit (OPEB) cost for the primary post-retirement medical plan for the years ended June 30, 2014 and 2013, and the liability as of June 30, 2014 and 2013 included the following components (\$ in thousands):

	<u>2014</u>	<u>2013</u>
Annual required contribution	\$ 7,530	\$ 8,055
Interest on net OPEB obligation	2,451	3,898
Adjustment to annual required contribution	<u>(8,160)</u>	<u>(4,369)</u>
Annual OPEB cost	1,821	7,584
Contributions made	<u>(4,866)</u>	<u>(5,395)</u>
Increase (decrease) in net OPEB obligation	(3,045)	2,189
Net OPEB obligation at beginning of year	54,158	51,969
Net OPEB obligation at end of year	<u>\$ 51,113</u>	<u>\$ 54,158</u>
Current Portion	<u>\$ 4,861</u>	<u>\$ 5,416</u>

The primary postretirement medical plan holds no assets. An additional postretirement medical plan is maintained by the State of New Hampshire Police which covers safety officers at UNH and PSU. These plans are separate from the primary plan. USNH has accrued \$348,000 as of June 30, 2014 and 2013 for potential obligations under the State of New Hampshire Police Plan.

8. Long-term debt

USNH long-term debt activity, exclusive of deferred losses on refundings, for the years ended June 30, 2014 and 2013 is summarized below (\$ in thousands):

	Balance June 30, 2012	2013 Additions & Other Changes	2013 Retirements	Balance June 30, 2013	2014 Additions & Other Changes	2014 Retirements	Balance June 30, 2014	Current Portion
NHHEFA bonds								
Series 2005A	\$ 58,000	\$ -	\$ (1,350)	\$ 56,650	\$ -	\$ (1,650)	\$ 55,000	\$ 1,500
Series 2005B	93,550	-	(3,765)	89,785	-	(3,890)	85,895	4,030
Series 2006B-2	55,175	-	(1,250)	53,925	-	(1,300)	52,625	1,375
Series 2007	46,570	-	-	46,570	-	-	46,570	-
Series 2009A	105,650	-	-	105,650	-	(21,605)	84,045	-
Series 2011A	6,000	-	-	6,000	-	-	6,000	-
Series 2011B	42,570	-	(1,525)	41,045	-	(1,595)	39,450	39,450
Series 2012	23,260	-	-	23,260	-	(2,605)	20,655	2,655
Series 2014	-	-	-	-	21,760	-	21,760	-
UNH School of Law Bonds	12,046	-	(238)	11,808	-	(11,808)	-	-
Unamortized discounts/premiums, net	6,570	-	(324)	6,246	-	(316)	5,930	324
Capital leases	15,147	-	(1,636)	13,511	-	(872)	12,639	912
Total bonds and leases	<u>\$ 464,538</u>	<u>\$ -</u>	<u>\$(10,088)</u>	<u>\$ 454,450</u>	<u>\$ 21,760</u>	<u>\$(45,641)</u>	<u>\$ 430,569</u>	<u>\$ 50,246</u>

New Hampshire Health and Education Facilities Authority (NHHEFA) Bonds

NHHEFA is a public body corporate and an agency of the State of New Hampshire whose primary purpose is to assist New Hampshire not-for-profit educational and health care institutions in the construction and financing (or refinancing) of related facilities. NHHEFA achieves this purpose primarily through the issuance of bonds. Since 1989 all USNH bonds have been issued through NHHEFA. None of USNH's NHHEFA bonds provide for a lien or mortgage on any property. USNH is obligated under the terms of the NHHEFA bonds to make payments from revenues received from certain housing, dining, union, recreational, and other related revenue generating facilities financed by the bonds. The state is not liable for the payment of principal or interest on the NHHEFA bonds, nor is the state directly, indirectly or contingently obligated to levy or pledge any form of taxation whatsoever or to make any appropriation for their payment. USNH is in compliance with all covenants specified in the NHHEFA bonds, the most restrictive of which is maintenance of a debt-service coverage ratio, as defined, of at least 1.1 to 1.0.

As noted above, the UNH School of Law integrated with USNH on January 1, 2014. The proceeds of the UNH School of Law Bonds outstanding at June 30, 2013 had been used to fund construction of academic facilities in 2008 and 2009. Because USNH is authorized to issue bonds only for self-supporting facilities, the terms of the integration agreement required that the UNH School of Law Bonds be redeemed in advance of the integration. Accordingly, the UNH School of Law Bonds (Series 2010) were fully paid off in December, 2013, using proceeds from liquidation of quasi-endowment investments.

USNH's bond portfolio at June 30, 2014 consisted of fixed rate and variable rate issues, with an overall cost of capital of approximately 4.05%. The variable rate demand bonds (Series 2005A, 2005B, 2011B) are fully hedged via interest rate swap agreements (see Note 9 below), with Series 2005A and 2005B each supported by standby bond purchase agreements. Series 2011B is supported by self-liquidity and thus categorized in total as a current liability. During the year ended June 30, 2014, USNH issued Series 2014 Bonds to defease the first bullet payment of the Series 2009A Bonds due on July 1, 2014 in the amount of \$21,605,000. Funds from Series 2014 Bonds were held in escrow in the principal payment investment account for the Series 2009A Bonds on June 30, 2014.

The associated variable interest rates for both 2005A and 2005B at June 30, 2014 and 2013 were 0.11% and 0.07% respectively. The 2011B associated variable interest rates at June 30, 2014 and 2013 were 0.10% and 0.06%, respectively. Maturity dates and interest terms of each issue are summarized below.

<u>NHHEFA bonds</u>	<u>Maturity Date</u>	<u>Interest Terms and Rates</u>
Series 2005A	7/1/2035	Variable with daily pricing
Series 2005B	7/1/2033	Variable with daily pricing
Series 2006B-2	7/1/2036	Fixed at 4.5%
Series 2007	7/1/2018	Fixed at 5.1%
Series 2009A	Periodic Maturities*	Fixed at rates of 4.0-5.5%
Series 2011A	7/1/2021	Fixed at 5.0%
Series 2011B	7/1/2033	Variable with daily pricing
Series 2012	7/1/2020	Fixed at 1.7%
Series 2014	7/1/2024	Fixed at 2.0%

* 7/1/2016, 2020, 2023

Capital leases

On April 30, 2004, USNH entered into a capital lease agreement in the amount of \$18,387,000 to finance a portion of the costs of equipment housed in UNH's utility cogeneration facility. The related lease payments are due quarterly through June 2025, including principal as well as interest at a fixed rate of 4.5%. The carrying value of the related equipment was \$11,428,000 and \$12,467,000 as of June 30, 2014 and 2013, respectively.

Maturity of Long-term Obligations

Long-term debt obligations are scheduled to mature as follows using the associated fixed, estimated synthetic fixed, and expected variable rates in effect as of June 30, 2014 over the remaining terms of individual issuances (\$ in thousands):

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 49,922	\$ 18,315	\$ 68,237
2016	12,983	17,265	30,248
2017	38,287	16,907	55,194
2018	13,942	14,985	28,927
2019	60,989	14,585	75,574
2020-2024	134,102	46,537	180,639
2025-2029	47,429	21,966	69,395
2030-2034	49,685	11,253	60,938
2035-2037	17,300	1,470	18,770
	<u>424,639</u>	<u>163,283</u>	<u>587,922</u>
Plus: unamortized discounts/premiums, net	5,930	-	5,930
Total	<u>\$ 430,569</u>	<u>\$ 163,283</u>	<u>\$ 593,852</u>

State of NH general obligation bonds

The state, through acts of its legislature, provides funding for certain major plant facilities on USNH campuses. The state obtains its funds for these construction projects from general obligation bonds, which it issues from time to time. Debt service is funded by the general fund of the state, which is in the custody of the State Treasurer. The state is responsible for all repayments of these bonds in accordance with bond indentures. USNH facilities are not pledged as collateral for these bonds and creditors have no recourse to USNH. Accordingly, the state's debt obligation attributable to USNH's educational and general facilities is not reported as debt of USNH. As construction expenditures are incurred by USNH on state-funded educational and general facilities, amounts are billed to the state and recorded as State of New Hampshire capital appropriations.

9. Derivative instruments - interest rate swaps

USNH uses hedging derivatives to artificially fix interest rates on variable rate bonds outstanding. The terms and fair market value of swap contracts in place as of June 30, 2014 and 2013 were as follows (\$ in thousands):

	<u>Effective Date</u>	<u>Termination Date</u>	<u>Payable</u>		<u>Receivable</u>		<u>Notional Amount at June 30,</u>		<u>Swap Fair Value at June 30,</u>	
			<u>Fixed Swap Rate</u>	<u>Variable Swap Rate</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>		
Series 2005A swap	October 29, 2008	July 1, 2035	3.6%	67% LIBOR	\$ 55,000	\$ 56,650	\$(10,521)	\$(10,581)		
Series 2005B swap	August 1, 2005	July 1, 2033	3.1%	63% LIBOR + 0.29%	85,895	89,785	(9,623)	(9,851)		
Series 2011B swap	April 4, 2011	July 1, 2033	4.5%	67% LIBOR	39,450	41,045	(9,684)	(10,199)		
				Total	<u>\$ 180,345</u>	<u>\$ 187,480</u>	<u>\$(29,828)</u>	<u>\$(30,631)</u>		

The fair value balances shown above represent the estimated amounts USNH would have been required to pay to terminate the swaps as of June 30, 2014 and 2013. The valuations provided are derived from third-party, proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method.

This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the swaps. USNH intends to hold all swap contracts to maturity.

These derivative instruments meet the criteria established by GASB Statement No. 53 for effective hedges as of June 30, 2014 and 2013 and therefore their accumulated changes in fair value are reflected as deferrals on the statements of net position. The notional amount of each swap is tied to the outstanding balance of the related bonds throughout the life of the swap. Under the terms of each swap, USNH makes fixed rate interest payments to

the counterparty and receives a variable rate payment from the counterparty; USNH makes variable rate payments to bondholders on the related bonds. None of the derivatives require collateralization by USNH at any level of negative fair market value. Effective interest rates and other key terms of each derivative are described below.

Counterparty	Counterparty Most Recent Credit Rating	Variable Interest Rates Paid and Received				Inception-To-Date			
		Interest Rate Paid to USNH Bond Holders as of		Interest Rate Received by USNH from Swap Counterparties as of		Effective Interest Rate	Effective Interest Rate	All-in Synthetically Fixed Interest Rate	
		6/30/2014	6/30/2013	6/30/2014	6/30/2013	6/30/2014	6/30/2013		
Series 2005A swap	Bank of New York Mellon	Aa1/AA-	0.1%	0.1%	0.1%	0.1%	3.6%	3.7%	3.9%
Series 2005B swap	Goldman Sachs Capital Markets	A2/A-	0.1%	0.1%	0.4%	0.4%	2.9%	3.0%	3.7%
Series 2011B swap	Morgan Stanley Capital Services	Ba1/A-	0.1%	0.1%	0.1%	0.1%	4.5%	4.5%	4.7%

Risk Disclosure

Counterparty Risk – This is the risk that the counterparty will fail to perform under the terms of the swap agreement. As of June 30, 2014, USNH was exposed to no counterparty credit risk relative to its swaps as all swap market values were negative. The swaps require collateralization of any positive fair value of the swap should the counterparty's credit rating fall below thresholds identified in the swap contracts. USNH mitigates counterparty risk by spreading the swap exposure among various counterparties, by monitoring bond ratings continuously, and by requiring collateralization in certain circumstances.

Basis Risk – This is the risk of a mismatch between the variable rate received from the swap counterparty and the variable rate paid by USNH to bondholders on the underlying variable rate debt. Depending on the magnitude and duration of any basis risk shortfall or surplus, the effective rate on the debt will vary. Based on current and historical experience, PFM, USNH's swap advisor, expects payments received under the agreements to approximate the expected bond payments over the life of the swaps. USNH manages basis risk by closely monitoring daily and monthly rates paid and received on each transaction, by diversifying bond remarketing agents, and by diversifying swap terms (e.g., 67% of LIBOR vs. 63% of LIBOR + 29 bps).

Termination Risk – This is the risk that the swaps could be terminated as a result of any of several events, which may include rating downgrades below specified levels for USNH or the swap counterparty; covenant violation; swap payment default or bankruptcy by either party; or default events under a bond resolution or trust indenture. Under the terms of each agreement, USNH always has the option to terminate a swap at the fair market value by providing notice to the counterparty, while the counterparty may only terminate the swap upon certain termination events. USNH manages termination risk by adhering to bond covenant requirements, by employing strategic indicator targets to maintain financial strength, by monitoring swap market values and counterparty credit ratings, and by diversifying swap counterparties.

Swap Cash Flows

The actual interest payments on the swaps will vary as interest rates vary. The table below shows estimated annual future cash flows of the derivative instruments if interest rates remain unchanged from June 30, 2014 through the end of each swap contract (*\$ in thousands*):

Fiscal Year	Notional Amortization	Estimated Interest Received	Estimated Interest and Fees Paid	Estimated Swap Outflows, Net
2015	\$ 7,200	\$ (426)	\$ 6,426	\$ 6,000
2016	7,665	(408)	6,172	5,764
2017	7,775	(388)	5,900	5,512
2018	8,275	(368)	5,625	5,257
2019	8,560	(347)	5,331	4,984
2020-2024	47,465	(1,395)	21,892	20,497
2025-2029	41,110	(817)	13,592	12,775
2030-2034	45,145	(348)	6,255	5,907
2035-2036	7,150	(11)	387	376
Total	<u>\$180,345</u>	<u>\$ (4,508)</u>	<u>\$ 71,580</u>	<u>\$ 67,072</u>

10. Pass-through grants

USNH distributed \$194,511,000 and \$204,282,000 of student loans through the U.S. Department of Education Federal Direct Lending program during 2014 and 2013, respectively. These distributions and related funding sources are not included as expenses and revenues, or as cash disbursements and cash receipts, in the accompanying financial

statements. The statements of net position include receivables of \$184,000 and \$86,000 as of June 30, 2014 and 2013, respectively, for direct loans disbursed in excess of U.S. Department of Education receipts.

11. Endowment return used for operations

The majority of endowment funds are invested in one of two investment pools valued using units purchased in the applicable pool at the gift date. The endowment distribution rate as a percentage of the average market value per unit for the twelve quarters from which it was derived was 4.8% for 2014 and 2013 for the USNH endowment pool. For the UNHF endowment pool, the distribution rate was 5.4% for 2014 compared to 5.6% in 2013.

The objective for the annual spending formula for endowment return used for operations is to provide sustainable continued future support for ongoing programs at current levels

assuming moderate inflation. To the extent that endowment yield is insufficient in any one year to meet the required spending distribution; accumulated net gains are utilized to fund the distribution.

The components of endowment return used for operations for 2014 and 2013 are summarized below (*\$ in thousands*):

	<u>2014</u>	<u>2013</u>
Pooled endowment yield - campuses	\$ 3,621	\$ 5,257
Pooled endowment yield - affiliates	2,644	3,028
Trusts, life income and annuities yield	(103)	(67)
Gains utilized to fund distribution	16,086	11,004
Endowment return used for operations	<u>\$22,248</u>	<u>\$19,222</u>

12. Operating expenses by function

The following table details USNH operating expenses by functional classification (*\$ in thousands*):

Campuses – current funds	Compensation	Supplies & Services	Utilities	Internal Allocations	Depreciation	2014 Total	2013 Total
Instruction	\$206,237	\$ 25,123	\$ 10	\$ 98	\$ -	\$231,468	\$222,863
Auxiliary services	50,755	51,961	5,217	45,436	-	153,369	149,475
Research and sponsored programs	69,566	40,282	131	30	-	110,009	121,927
Academic support	45,944	19,974	9	510	-	66,437	62,805
Student services	23,396	12,681	11	(6)	-	36,082	34,425
Institutional support	37,688	12,910	30	(19,173)	-	31,455	30,737
Operations & maintenance	24,325	15,171	16,399	(27,210)	-	28,685	25,031
Fundraising & communications	12,151	5,879	-	3,756	-	21,786	18,811
Public service	6,320	1,574	-	85	-	7,979	7,152
Subtotal-current funds	<u>476,382</u>	<u>185,555</u>	<u>21,807</u>	<u>3,526</u>	<u>-</u>	<u>687,270</u>	<u>673,226</u>
Campuses – other funds	280	8,458	29	-	57,192	65,959	64,287
Affiliated entities	4,237	1,443	-	(3,526)	-	2,154	4,676
Total	<u>\$480,899</u>	<u>\$195,456</u>	<u>\$ 21,836</u>	<u>\$ -</u>	<u>\$ 57,192</u>	<u>\$755,383</u>	<u>\$742,189</u>

13. Commitments and contingencies

USNH holds insurance for losses related to real property, as well as professional, environmental and general liability claims. Property coverage is limited to \$500 million in the aggregate with varying deductible levels. Liability coverage and deductible levels are based on management's assessments of the risks of related losses. Settlements below the relevant deductible amounts are funded from unrestricted net position.

USNH makes expenditures in connection with restricted government grants and contracts, which are subject to final audit by government agencies. Management is of the opinion that the amount of disallowances, if any, sustained through such audits would not materially affect the financial position, results of operations, or cash flows of USNH.

USNH is a defendant in various legal actions arising out of the normal course of its operations. Although the final outcome of such actions cannot presently be determined, management is of the opinion that the eventual liability, if any, will not have a material effect on USNH's financial position, results of operations or cash flows.

As discussed in Note 8, USNH provides self-liquidity for the 2011B Bonds (\$39,450,000 at June 30, 2014 and \$41,045,000 at June 30, 2013). This requires that USNH maintain 1.5 times coverage of the bonds outstanding in same-day liquid investments to insure payment to bondholders in the event the bonds are not successfully remarketed (\$59,175,000 at June 30, 2014 and \$61,568,000 at June 30, 2013).

14. Net position

The table below details USNH's net position as of June 30, 2014 and 2013 (\$ in thousands):

	<u>2014</u>	<u>2013</u>
Net investment in capital assets	\$ 574,302	\$ 550,778
Restricted financial resources		
Nonexpendable		
Historic gift value of endowment-campus	93,071	87,811
Historic gift value of endowment-affiliated entities	130,776	125,246
Total restricted nonexpendable resources	<u>223,847</u>	<u>213,057</u>
Expendable		
Held by campuses:		
Accumulated net gains on endowment	51,771	36,028
Fair value of restricted funds functioning as endowment	14,198	23,708
Gifts, grants and contracts	29,033	25,313
Life income and annuity funds	45	39
Loan funds	6,851	7,392
Held by affiliated entities:		
Accumulated net gains on endowment	40,052	23,488
Other	31,640	27,983
Total restricted expendable resources	<u>173,590</u>	<u>143,951</u>
Unrestricted financial resources		
Held by campuses:		
Educational and general reserves	50,789	52,140
Auxiliary enterprises	36,157	33,950
Internally designated reserves	85,358	80,331
Unrestricted loan funds	1,566	1,486
Unexpended plant funds	87,288	75,594
Fair value of unrestricted funds functioning as endowment	133,206	88,968
Subtotal	<u>394,364</u>	<u>332,469</u>
Unfunded postretirement medical liability	(51,113)	(54,158)
Total unrestricted net assets held by campuses	<u>343,251</u>	<u>278,311</u>
Held by affiliated entities:		
Fair value of unrestricted funds functioning as endowment	557	496
Other	2,764	2,754
Total unrestricted financial resources	<u>346,572</u>	<u>281,561</u>
TOTAL NET POSITION	<u>\$1,318,311</u>	<u>\$1,189,347</u>

The fair value of unrestricted funds functioning as endowment includes quasi-endowment funds totaling \$64,192,000 as of June 30, 2014 and \$47,058,000 as of June 30, 2013, which are invested to support debt principal payments for bond issues with specific future maturities. A portion of the internally designated reserves balance at June 30, 2014 (\$8,938,000) reflects the balance of board-approved funding for STEM related initiatives, and is expected to be spent in 2015. In addition to the June 30, 2014 unexpended plant balances shown above, \$72,870,000 of internally designated reserves was also approved for funding of campus capital projects. The largest of these projects are the Hamilton-Smith building at UNH (\$37,000,000) and the ALLWell North facility at PSU (\$16,000,000).

15. Component units

Condensed information from the audited financial statements of the University of New Hampshire Foundation, Inc. (UNHF) is presented below (\$ in millions):

Condensed Information from the Statements of Net Position as of June 30,			Condensed Information from the Statements of Revenues, Expenses, and Changes in Net Position for the years ended June 30,		Condensed Information from the Statements of Cash Flows for the years ended June 30,			
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>		
Endowment investments	\$ 190	\$ 153	Gifts and other support	\$ 38	\$ 35	Receipts from gifts and other sources	\$ 15	\$ 24
Other assets	12	9	Investment income	25	17	Payments to UNH and suppliers	(22)	(16)
Total assets	<u>202</u>	<u>162</u>	Total revenues	<u>63</u>	<u>52</u>	Net cash provided by/(used in) operating activities	<u>(7)</u>	<u>8</u>
Annuities payable	3	2	Distributions to UNH	17	16	Net cash provided by (used in) investing/noncapital financing activities	8	(7)
Other liabilities	-	1	Administrative and other expenses	6	8	Change in Cash and Equivalents	<u>\$ 1</u>	<u>\$ 1</u>
Total liabilities	<u>3</u>	<u>3</u>	Total expenses	<u>23</u>	<u>24</u>			
Total Net Position	<u>\$ 199</u>	<u>\$ 159</u>	Operating Income & Other Changes in Net Position*	<u>\$ 40</u>	<u>\$ 28</u>			

*Includes the addition of \$14,946,000 of endowment and other gift funds transferred to UNHF in conjunction with the integration of the UNH School of Law. A copy of the complete financial statements for UNHF can be obtained by contacting their Accounting Office at (603) 862-4171.

16. Subsequent events

Management has evaluated the impact of subsequent events through October 30, 2014, which is the date that the financial statements were available for issuance, and concluded that no material events have occurred which would require recognition or disclosure.

Required Supplemental Information

Schedule of funding progress For the year ended June 30, 2014
(Unaudited)
(\$ in thousands)

Actuarial Variation Date (July 1,)	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (c)=(b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (d)	UAAL as a % of Covered Payroll (c)/(d)
Postretirement Medical Plan						
2013	\$ -	\$ 52,231	\$ 52,231	-	\$ 224,139	23%
2011	-	50,876	50,876	-	219,357	23%
2009	-	46,852	46,852	-	204,670	23%

*Third party actuaries are used to determine these amounts on a biennial basis. The most recent plan valuation was as of July 1, 2013. The next valuation date will be July 1, 2015.

See accompanying independent auditor's report

UNIVERSITY SYSTEM OF NEW HAMPSHIRE

AS OF SEPTEMBER 1, 2014

BOARD OF TRUSTEES

Members of the Board:

Pamela Diamantis (2008-2016)
Chair, Greenland, NH

John W. Small (2010-2015)
Vice Chair, New Castle, NH

Judith E. Blake (2008-2016)
Secretary, Portsmouth, NH

The Honorable Maggie Hassan, ex officio
Governor, State of New Hampshire, Concord, NH

Robert A. Baines (2011-2015)
Manchester, NH

Virginia M. Barry, ex officio
Commissioner of Education, Concord, NH

Todd R. Black (2014-2018)
Dover, NH

Cathy Furtak Conway (2013-2017)
Jefferson, NH

Frederick C. Dey (2011-2015)
Portland, ME

Chester E. Homer III (2008-2016)
Portsmouth, NH

Mark W. Huddleston, ex officio
President, UNH, Durham, NH

Anne E. Huot, ex officio
President, KSC, Keene, NH

Todd J. Leach, ex officio
Chancellor, USNH, Durham, NH

John H. Lynch, (2013-2017)
Contoocook, NH

Bryan W. Merrill (2014-2015)
UNH Student Trustee, Durham, NH

Lorraine Stuart Merrill, ex officio
Commissioner of Agriculture, Concord, NH

Joseph G. Morone (2013-2014)
Portsmouth, NH

Kenneth C. Moulton (2012-2015)
Bow, NH

Timothy M. Riley (2009-2017)
Bedford, NH

Ryan M. Scrivano (2014-2015)
KSC Student Trustee, Keene, NH

John R. Rist (2013-2017)
Manchester, NH

Henry B. Stebbins (2006-2016)
Portsmouth, NH

Sara Jayne Steen, ex officio
President, PSU, Plymouth, NH

Wallace R. Stevens (2011-2015)
Hampton Falls, NH

ADMINISTRATION

Members of the Administrative Board:

Todd J. Leach (Chair)
Chancellor, University System of New Hampshire
Interim CEO, Granite State College

Mark W. Huddleston
President, University of New Hampshire

Anne E. Huot
President, Keene State College

Sara Jayne Steen
President, Plymouth State University

Members of the Finance

Executive Council:

Catherine A. Provencher
Vice Chancellor and Treasurer/CFO, USNH

Lisa L. Shawney (Vice Chair)
Vice President of Finance, Technology, and Infrastructure

Richard J. Cannon
Vice President for Finance and Administration, UNH

Stephen J. Taksar
Vice President for Finance and Administration, PSU

Jay V. Kahn
Vice President for Finance and Planning, KSC

Erik E. Gross
Associate Treasurer, USNH

OTHER OFFICERS

University System Offices

Ronald F. Rodgers
General Counsel and Secretary of USNH

Robin A. Switzer
Director of Human Resource Services

University of New Hampshire

Lisa MacFarlane
Provost and Vice President for Academic Affairs

Jane A. Nisbet
Senior Vice Provost for Research

Mark Rubinstein
Vice President for Student and Academic Services

Deborah Dutton
Vice President for Advancement and Foundation
President

Plymouth State University

Julie N. Bernier
Provost and Vice President for Academic Affairs

Stephen P. Barba
Executive Director of University Relations

Paula Lee Hobson
Vice President for University Advancement

James M. Hundrieser
Vice President for Enrollment Management and Student Affairs

Keene State College

Walter Zakahi
Provost and Vice President for Academic Affairs

Maryann LaCroix Lindberg
Vice President for Advancement

Kemal Atkins
Vice President for Student Affairs and Enrollment Management

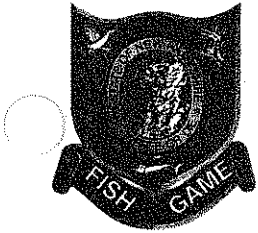
Granite State College

Scott Stanley
Interim Provost and Vice President for Academic Affairs

Mary Beth (MB) Lufkin
Vice President of Enrollment Management

Beth Dolan
Vice President for Student and Administrative Services

Lisa L. Shawney
Vice President of Finance, Technology, and Infrastructure



New Hampshire Fish and Game Department

FIS 15 003

HEADQUARTERS: 11 Hazen Drive, Concord, NH 03301-6500
(603) 271-3421
FAX (603) 271-1438

www.WildNH.com
e-mail: info@wildlife.nh.gov
TDD Access: Relay NH 1-800-735-2964

December 29, 2014

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

In accordance with RSA 206:42, Search and Rescue, the NH Department of Fish & Game is submitting the following Quarterly Report of Expenditures for the period April 1, 2014 to June 30, 2014.

Balance Forward from FY 2013 (Undesignated Reserve)	\$ (\$103,626.87)
Plus: Revenue FY 2014	+ 224,014.42
Less: Expenditures (1 st Qtr. 07/01/13 - 09/30/13) (1)	- 90,257.19
Expenditures (2 nd Qtr. 10/01/13 - 12/31/13) (2)	- 75,922.21
Expenditures (3 rd Qtr. 01/01/14 - 03/31/14) (3)	- 45,947.22
Expenditures (4 th Qtr. 04/01/14 - 06/30/14) (4)	- 38,570.18
Personal Services	14,605.69
Current Expenses	12,653.43
Equipment	5,581.84
Benefits	3,776.85
In-State Travel	326.75
Out-of-State Travel	1,625.62
Total Expenditures - 4 th Qtr. (4)	- 38,570.18
Less Encumbrances	- <u>1,381.88</u>
Balance Available 06/30/2014 (per NHFirst)	\$(131,691.13)

Footnotes:

- 1) Expenditures of \$90,257.19 shown represent direct expenditures charged to the Search & Rescue account in the 1st Quarter of the Fiscal Year.
- 2) Expenditures of \$75,922.21 shown represent direct expenditures charged to the Search & Rescue account in the 2nd Quarter of the Fiscal Year.
- 3) Expenditures of \$45,947.22 shown represent direct expenditures charged to the Search & Rescue account in the 3rd Quarter of the Fiscal Year.
- 4) Expenditures of \$38,570.18 shown represent direct expenditures charged to the Search & Rescue account in the 4th Quarter of the Fiscal Year.

REGION 1

629B Main Street
Lancaster, NH 03584-3612
(603) 788-3164
FAX (603) 788-4823
email: reg1@wildlife.nh.gov

REGION 2

PO Box 417
New Hampton, NH 03256
(603) 744-5470
FAX (603) 744-6302
email: reg2@wildlife.nh.gov

REGION 3

225 Main Street
Durham, NH 03824-4732
(603) 868-1095
FAX (603) 868-3305
email: reg3@wildlife.nh.gov

REGION 4

15 Ash Brook Court
Keene, NH 03431
(603) 352-9669
FAX (603) 352-8798
email: reg4@wildlife.nh.gov

ACTIVITY SUMMARY

During the period of April 1 to June 30, 2014, the Law Enforcement Division participated in the following Search & Rescue activities:

23 Missions involving the search for and/or rescue of 24 individuals – 184.75 reg. hours costing \$7,630.24, + 228.75 OT hours costing \$9,037.92, 4,023 miles costing \$2,232.77 = 413.5 total hours, total cost \$18,900.93 and 4,023 miles.

1 Drowning Missions for the recovery of 1 victims – 100 reg. hours costing \$4,503.03, + 38 OT hours costing \$1,597.23 + 20 dive hours costing \$530, 1,405 miles costing \$779.78 and \$360 boat cost = 138 total hours costing \$6,100.26, total cost \$7,770.04 and 1,405 miles.

24 Total Missions – 284.75 reg. hours + 266.75 OT hours = 551.5 total hours, total cost \$26,670.975, and 5,428 miles.

Miscellaneous activities including dive team training, search and rescue training, equipment maintenance or relays, educational or training speaking engagements, etc. – 46.5 reg. hours costing \$2,299.90, + 0 OT hours + 444 miles costing \$246.42 = 46.5 total hours, total cost \$2,546.32 and 444 miles.

TOTAL: 331.25 reg. hours + 266.75 OT hours = 598 total hours, total cost \$29,217.28 and 5,872 miles.

ACTIVITY SUMMARY UPDATE FOR PERIOD JANUARY 1, 2014 THROUGH MARCH 31, 2014

During the period January 1 to March 31, 2014, the Law Enforcement Division participated in the following Search and Rescue activities:

6 Missions involving the search for and/or rescue of 7 individuals – 26 reg. hours costing \$1,112.67, + 16.5 OT hours costing \$658.19 + 387 miles costing \$214.79 = 42.5 total hours, total cost \$1,985.65 and 387 miles.

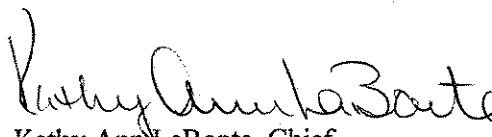
0 Drowning Mission for the recovery of victims – No Updates

Miscellaneous activities including dive team training, search and rescue training, equipment maintenance or relays, educational or training speaking engagements, etc. – No Updates

GRAND TOTAL: 357.25 reg. hours + 283.25 OT hours = 640.5 total hours, total cost \$31,202.93 and 6,259 miles.

Respectfully submitted,


Glenn Normandeau
Executive Director


Kathy Ann LaBonte, Chief
Business Division



FIS 15 007

William F. Dwyer
STATE TREASURER

**THE STATE OF NEW HAMPSHIRE
STATE TREASURY**

25 CAPITOL STREET, ROOM 121
CONCORD, N.H. 03301
603-271-2621
FAX 603-271-3922

E-mail: bdwyer@treasury.state.nh.us
TDD Access: Relay NH 1-800-735-2964

December 24, 2014

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
State House
Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

INFORMATIONAL ITEM

Pursuant to RSA 6-B:2,VII, it is hereby requested that you accept the attached quarterly reports of the New Hampshire State Treasury for the periods ended June 30, 2014 and September 30, 2014.

EXPLANATION

I am pleased to present the second and third quarter (calendar year 2014) Quarterly Balance Reports, summarizing the total amount of funds in the State Treasury, the amount belonging to each separate fund, the funds on deposit, investments held, and the interest income earned thereon. The mission of the New Hampshire State Treasury is to deliver professional financial management services to state government, the legislature, and New Hampshire citizens.

Sincerely,

William F. Dwyer
Commissioner of the Treasury

~~CC: Linda M. Hodgdon, Commissioner, Department of Administrative Services~~

Attachments: Treasury Quarterly Balance Report – June 30, 2014
Treasury Quarterly Balance Report – September 30, 2014



Treasury Quarterly Balance Report

JUNE 30, 2014 (Q4, FY14)

RSA 6-B:2 (VII)

General Ledger By Separate Fund

General Fund	\$	501,248,827
Liquor	\$	7,769,921
Lottery	\$	6,769,455
Racing/Gaming	\$	66,374
Highway	\$	167,868,428
Turnpike	\$	116,529,170
DES-SRF	\$	164,010,641
Fish & Game	\$	5,556,065
Capital Fund	\$	55,571,371
Education	\$	(111,383,860)
Employee Benefit	\$	52,206,336
<u>Sub-total</u>	\$	<u>966,212,729</u>
T&A*	\$	37,476,776
PEAP*	\$	17,451,948
<u>TOTAL</u>	\$	<u>1,021,141,454</u> **

Deposits and Investments Held

Funds on Deposit	\$436,988,951
Investments Held	\$565,668,080
<u>TOTAL</u>	<u>\$ 1,002,657,031</u> **

Net Interest Income \$ 461,503.74

*Trust and Agency Accounts (T&A) and Pre-escheat Abandoned Property (PEAP) securities are not reported in the General Ledger.

** The variance between the two totals results from timing differences between accounting entries and actual cash transactions, as well as the reporting of certain enterprise funds. The State Treasury reconciles General Ledger to Bank Statements.



Treasury Quarterly Balance Report

SEPTEMBER 30, 2014 (Q1, FY15)

RSA 6-B:2 (VII)

General Ledger by Separate Fund

General Fund	\$	431,104,836
Liquor	\$	37,131,974
Lottery	\$	10,154,328
Racing/Gaming	\$	323,401
Highway	\$	147,975,856
Turnpike	\$	122,954,614
DES-SRF	\$	172,488,969
Fish & Game	\$	6,352,444
Capital Fund	\$	41,508,430
Education	\$	(128,062,754)
Employee Benefit	\$	50,949,706
<u>Sub-total</u>	\$	<u>892,881,804</u>
T&A*	\$	36,468,591
PEAP*	\$	<u>17,222,758</u>
<u>TOTAL</u>	\$	<u>946,573,153</u> **

Deposits and Investments Held

Funds on Deposit	\$425,771,738
Investments Held	\$493,449,203
<u>TOTAL</u>	<u>\$ 919,220,941</u> **
<u>Net Interest Income</u>	\$ 423,279.06

*Trust and Agency Accounts (T&A) and Pre-escheat Abandoned Property (PEAP) securities are not reported in the General Ledger.

** The variance between the two totals results from timing differences between accounting entries and actual cash transactions, as well as the reporting of certain enterprise funds. The State Treasury reconciles General Ledger to Bank Statements.



John T. Beardmore
Commissioner

State of New Hampshire
Department of Revenue Administration

109 Pleasant Street
PO Box 457, Concord, NH 03302-0457
Telephone 603-230-5005
www.nh.gov/revenue

FIS 15 008



Kathryn E. Skouteris
Assistant Commissioner

January 5, 2015

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

Re: July through September 2014 Refund Report

Dear Representative Kurk:

Pursuant to revised RSA 21-J:45, enclosed is the Department of Revenue Administration's Quarterly Refund Report for the months of October through December 2014. This report is produced on a quarterly basis for requested tax refunds and provides a 5-year refund analysis.

Feel free to contact me with any questions or concerns.

Sincerely,

John T. Beardmore
Commissioner

Enclosure

TDD Access: Relay NH 1-800-735-2964

Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the Department.

Department of Revenue Administration
Quarterly Refund Report
FY2015 Quarter 2 (Oct - Dec)

	A	B	C	D	E
		Business Taxes		Interest and Dividends Tax	
		\$	#	\$	#
1	Requested Refunds Outstanding at Start of Quarter	\$ 4,719,105	278	\$ 202,378	249
2	Requested Refunds Initiated Current Quarter	\$ 16,841,277	985	\$ 2,739,241	558
3	Requested Refunds Paid Current Quarter	\$ 10,540,238	1273	\$ 1,807,347	636
4	Requested Refunds Outstanding at End of Quarter ¹	\$ 4,935,473	396	\$ 182,491	134

<u>Business Taxes</u>					
	Five-Year History of Requested Refunds Paid	Quarter 1 (Jul - Sep)	Quarter 2 (Oct - Dec)	Quarter 3 (Jan - Mar)	Quarter 4 (Apr - Jun)
5	FY2015	\$ 6,722,636	\$ 10,540,238		
6	FY2014	\$ 3,884,913	\$ 16,260,550	\$ 7,237,481	\$ 5,537,410
7	FY2013	\$ 3,420,723	\$ 1,894,055	\$ 11,163,932	\$ 11,599,580
8	FY2012	\$ 5,323,035	\$ 8,250,900	\$ 4,012,814	\$ 6,048,512
9	FY2011	\$ 6,390,206	\$ 11,739,293	\$ 10,604,106	\$ 5,570,492
10	FY2010	\$ 3,827,473	\$ 13,108,991	\$ 14,423,748	\$ 9,279,202

<u>Interest and Dividends Tax</u>					
	Five-Year History of Requested Refunds Paid	Quarter 1 (Jul - Sep)	Quarter 2 (Oct - Dec)	Quarter 3 (Jan - Mar)	Quarter 4 (Apr - Jun)
12	FY2015	\$ 770,008	\$ 1,807,347		
13	FY2014	\$ 1,230,552	\$ 3,082,684	\$ 930,216	\$ 2,611,630
14	FY2013	\$ 923,696	\$ 360,903	\$ 2,168,976	\$ 1,363,645
15	FY2012	\$ 1,656,963	\$ 2,986,203	\$ 191,378	\$ 1,725,833
16	FY2011	\$ 1,122,034	\$ 1,871,547	\$ 1,366,871	\$ 3,094,500
17	FY2010	\$ 1,168,054	\$ 2,429,978	\$ 1,473,764	\$ 3,525,738

¹ Note: The refunds outstanding at the end of the quarter will not always be equal to refunds outstanding at the start of the quarter, plus refunds initiated during the current quarter, minus refunds paid during the current quarter. This is because requests for refund are closed in ways other than payment, including offsetting a tax notice, the request being out of statute and the request not being valid.