

SB 263-FN - AS AMENDED BY THE SENATE

03/09/2023 0657s

2023 SESSION

23-0885

05/08

SENATE BILL

***263-FN***

AN ACT

extending the New Hampshire granite advantage health care program and reestablishing the commission to evaluate the effectiveness and future of the New Hampshire granite advantage health care program.

SPONSORS:

Sen. Bradley, Dist 3; Sen. Watters, Dist 4; Sen. Rosenwald, Dist 13; Sen. D'Allesandro, Dist 20; Sen. Perkins Kwoka, Dist 21; Sen. Gray, Dist 6; Sen. Chandley, Dist 11; Sen. Soucy, Dist 18; Sen. Lang, Dist 2; Sen. Avard, Dist 12; Sen. Ricciardi, Dist 9; Sen. Gendreau, Dist 1; Sen. Ward, Dist 8; Sen. Whitley, Dist 15; Sen. Fenton, Dist 10; Sen. Altschiller, Dist 24; Sen. Innis, Dist 7; Rep. Leishman, Hills. 33; Rep. Wallner, Merr. 19

COMMITTEE:

Health and Human Services

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ANALYSIS

This bill:

I. Reestablishes and revises the membership and duties of the commission to evaluate the effectiveness and future of the New Hampshire granite advantage health care program. The commission is repealed November 1, 2028.

II. Permanently extends the New Hampshire granite advantage health care program by removing the prospective repeal of the program that was to take effect on December 31, 2023.

III. Removes the transfer of funds from the alcohol abuse prevention and treatment fund to the granite advantage health care trust fund.

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Explanation:

Matter added to current law appears in ***bold italics***.

Matter removed from current law appears ~~[in brackets and struckthrough.]~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Three*

AN ACT extending the New Hampshire granite advantage health care program and reestablishing the commission to evaluate the effectiveness and future of the New Hampshire granite advantage health care program.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1        1 Commission to Evaluate the Effectiveness and Future of the New Hampshire Granite  
2 Advantage Health Care Program. RSA 126-AA:4 is repealed and reenacted to read as follows:

3        126-AA:4 Commission to Evaluate the Effectiveness and Future of the New Hampshire Granite  
4 Advantage Health Care Program.

5        I. There is hereby established a commission to evaluate the effectiveness and future of the  
6 New Hampshire granite advantage health care program.

7            (a) The members of the commission shall be as follows:

8            (1) Three members of the senate, appointed by the president of the senate, one of  
9 whom shall be a member of the minority party.

10           (2) Three members of the house of representatives, appointed by the speaker of the  
11 house of representatives, one of whom shall be a member of the minority party.

12           (3) The commissioner of the department of health and human services, or designee.

13           (4) The commissioner of the department of insurance, or designee.

14           (5) A representative of each managed care organization awarded contracts as  
15 vendors under the Medicaid managed care program, appointed by the governor.

16           (6) A representative of a hospital that operates in New Hampshire, appointed by the  
17 New Hampshire Hospital Association.

18           (7) A public member, who has health care expertise, appointed by the senate  
19 president.

20           (8) A public member, who currently receives coverage through the program,  
21 appointed by the speaker of the house of representatives.

22           (9) A public member representing the interests of small businesses in New  
23 Hampshire, appointed by the New Hampshire Association of Chamber of Commerce Executives.

24           (10) A representative of the medical care advisory committee, department of health  
25 and human services, appointed by the commissioner of the department of health and human  
26 services.

27           (11) A licensed physician, appointed by the New Hampshire Medical Society.

28           (12) A licensed mental health professional, appointed by the National Alliance on  
29 Mental Illness New Hampshire.

1 (13) A licensed substance use disorder professional, appointed by the New  
2 Hampshire Alcohol and Drug Abuse Counselors Association.

3 (14) An advanced practice registered nurse (APRN), appointed by the New  
4 Hampshire Nurse Practitioner Association.

5 (15) The chairperson of the governor's commission on alcohol and drug abuse  
6 prevention, treatment, and recovery, or designee.

7 (b) Legislative members of the commission shall receive mileage at the legislative rate  
8 when attending to the duties of the commission.

9 (c) The limitation on commission membership in RSA 14:49, II(c) shall not apply to this  
10 commission.

11 II.(a) The commission shall evaluate the effectiveness and future of the program.  
12 Specifically the commission shall:

13 (1) Review the program's financial metrics.

14 (2) Review the program's product offerings.

15 (3) Review the program's impact on insurance premiums for individuals and small  
16 businesses.

17 (4) Make recommendations for future program modifications, including, but not  
18 limited to, whether the program is the most cost-effective model for the long term versus a return to  
19 private market managed care.

20 (5) Review up-to-date information regarding changes in the level of uncompensated  
21 care through shared information from the department, the department of revenue administration,  
22 the insurance department, and provider organizations and the program's impact on insurance  
23 premium tax revenues and Medicaid enhancement tax revenue.

24 (6) Evaluate reimbursement rates to determine if they are sufficient to ensure access  
25 to and provider capacity for all behavioral health services.

26 (7) Review the reasons beneficiaries are not re-enrolled in the program.

27 (8) Review the program's provider reimbursement rates and overall financing  
28 structure to ensure it is able to provide a stable provider network and sustainable funding  
29 mechanism that serves patients, communities, and the state of New Hampshire.

30 (b) The commission shall solicit information from any person or entity the commission  
31 deems relevant to its study.

32 (c) The commission shall meet at least annually.

33 III. The members of the commission shall elect a chairperson from among the members.  
34 Eight members of the commission shall constitute a quorum.

35 IV. On or before November 1, the commission shall make annual recommendations for any  
36 proposed legislation to the president of the senate, the speaker of the house of representatives, the  
37 senate clerk, the house clerk, and the governor, as appropriate.

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2 Alcohol Abuse Prevention and Treatment Fund; Reference to Funds Transfer Removed.  
Amend RSA 176-A:1, III to read as follows:

III. Moneys received from all other sources other than the liquor commission pursuant to RSA 176:16, III, including any community benefit contribution made by New Hampshire's hospitals, shall be disbursed from the fund upon the authorization of the governor's commission on alcohol and drug abuse prevention, treatment, and recovery established pursuant to RSA 12-J:1 and shall not be diverted for any other purposes. Funds disbursed shall be used for alcohol and other drug abuse prevention, treatment, and recovery services, and other purposes related to the duties of the commission under RSA 12-J:3~~[- provided, however, that funds received from any source other than the liquor commission, pursuant to RSA 176:16, III, shall not be used to support the New Hampshire granite advantage health care program and shall not be deposited into the fund established in RSA 126-AA:3].~~

3 Individual Health Insurance Market; Plan of Operation for the High Risk Pool. Amend RSA 404-G:5-a, IV(d) to read as follows:

(d) An amount not to exceed the lesser of the remainder amount, as defined in RSA 126-AA:1, V, or the amount ~~[of revenue transferred from the alcohol abuse prevention and treatment fund pursuant to RSA 176-A:1, IV and]~~ ***specified in RSA 126-AA:1, V(a) plus*** taxes attributable to premiums written for medical and other medical-related services for the newly eligible Medicaid population. The association shall transfer all amounts collected pursuant to this subparagraph to the New Hampshire granite advantage health care trust fund established pursuant to RSA 126-AA:3.

4 New Hampshire Granite Advantage Health Care Program; Definition of Remainder Amount. Amend RSA 126-AA:1, V(a) to read as follows:

(a) ***An amount equal to*** the amount of revenue transferred from the alcohol abuse prevention and treatment fund ~~[pursuant to RSA 176-A:1, IV]~~ ***in the state fiscal year ending June 30, 2023, adjusted annually by the percentage change in the Consumer Price Index for All Urban Consumers, Northeast Region as published by the Bureau of Labor Statistics, United States Department of Labor. The first such annual adjustment shall be made during the fiscal year ending June 30, 2024. The annual adjustment shall not exceed 5 percent in any fiscal year;***

5 Repeal; Commission. RSA 126-AA:4, relative to reestablishing the commission to evaluate the effectiveness and future of the New Hampshire granite health care advantage program, is repealed.

6 Repeal of the Prospective Repeal of the Granite Health Care Advantage Program. The following are repealed:

I. 2018, 342:24, III and VII, relative to the repeal of the granite advantage health care program and trust fund.

1           II. 2018, 342:25, II, relative to the repeal of the granite advantage health care program and  
2 trust fund on December 31, 2023.

3           7 Repeal; Revenue from Alcohol Abuse Prevention and Treatment Fund. The following are  
4 repealed:

5           I. RSA 176-A:1, IV, relative to the transfer of funds from the alcohol abuse prevention and  
6 treatment fund to the New Hampshire granite advantage health care trust fund.

7           II. RSA 126-AA:3, I(a), relative to the transfer of funds from the alcohol abuse prevention  
8 and treatment fund to the New Hampshire granite advantage health care trust fund.

9           8 Effective Date.

10          I. Sections 2, 3, 4, 6 and 7 of this act shall take effect December 31, 2023.

11          II. Section 5 of this act shall take effect November 1, 2028.

12          III. The remainder of this act shall take effect upon its passage.

**SB 263-FN- FISCAL NOTE**  
AS AMENDED BY THE SENATE (AMENDMENT #2023-0657s)

AN ACT extending the New Hampshire granite advantage health care program and reestablishing the commission to evaluate the effectiveness and future of the New Hampshire granite advantage health care program.

**FISCAL IMPACT:**    ☒ State                      ☐ County                      ☐ Local                      ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2023	FY 2024	FY 2025	FY 2026
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$219.2 million federal funds; \$24.6 million state funds	\$446.8 million federal funds; \$50.2 million state funds	Indeterminable
<b>Funding Source:</b>	<input type="checkbox"/> General <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Federal Funds, Liquor Funds, Insurance Assessment under RSA 404-G, Insurance Premium Tax Revenue			

**METHODOLOGY:**

This bill permanently reauthorizes the NH Granite Advantage Health Care Program, which is currently slated for repeal on December 31, 2023. The Department of Health and Human Services offers the following projection of Granite Advantage costs from FY24 - FY 25:

	FY24 est.	FY25 est.
Federal Funds (90%)	\$438,304,575	\$446,839,444
Non-federal share of expenses (10%)	\$49,165,851	\$50,150,691
<b>Total Funds Expense:</b>	<b>\$487,470,426</b>	<b>\$496,990,135</b>

Of the amounts shown above, only half of the FY24 amount is attributable to this bill, as the program is already authorized through the first half of FY24. The non-federal share of costs will be borne primarily by the following funding sources: insurance premium tax revenue, the assessment on insurers under RSA 404-G, and Liquor funds. Other revenue sources include drug rebate revenue and a small portion of Medicaid Enhancement Tax revenues received by the state. Under current law, the Granite Advantage program receives a transfer from the Alcohol Abuse Prevention and Treatment Fund. This transfer (approximately \$11 million in recent years) is repealed by this bill.

**AGENCIES CONTACTED:**

Department of Health and Human Services