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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

Jeffrey A. Meyers
Acting Commissioner

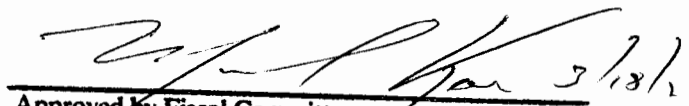
129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Kathleen A. Dunn
Associate Commissioner

February 25, 2016

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

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


Approved by Fiscal Committee Date

REQUESTED ACTION

Pursuant to RSA 14:30-a,VI, Additional Revenues, authorize the Department of Health and Human Services, Office of Business and Policy, to amend Fiscal Item #15-034, originally approved February 19, 2015, (Governor and Council Item #11, approved April 8, 2015), the acceptance of additional grant funds entitled "Adult Medicaid Quality grant," from the United States Department of Health and Human Services, Center for Medicare and Medicaid Services (DHHS/CMS), by **retroactively** extending the end date from June 30, 2015 to a new end date of December 20, 2016, and additionally to authorize the reallocation of appropriations between expenditure classes in the amount of \$196,191 to allow for the best utilization of available federal funds for executing the Medicaid Quality Program at the state level, effective upon Fiscal Committee and Governor and Council approval.

Funding source: 100% Federal Funds.

05-95-47-470010-7946, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS:
OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS POLICY, AFFORDABLE CARE ACT

CLASS OBJ	CLASS TITLE	CURRENT AUTHORIZED BUDGET	INCREASE/ DECREASE	REVISED MODIFIED BUDGET
000-400146	Federal Funds	\$0	\$0	\$0
000-400388	Federal Funds	\$0	\$0	\$0
000-403978	Federal Funds	\$1,043,226	\$0	\$1,043,226
	General Fund	\$23,042	\$0	\$23,042
	Total Revenue	\$1,066,268	\$0	\$1,066,268

CLASS OBJ	CLASS TITLE	CURRENT AUTHORIZED BUDGET	INCREASE/ (DECREASE)	REVISED MODIFIED BUDGET
010-500100	Personal Services - Perm. Class	\$276,986	\$0	\$276,986
020-500200	Current Expenses	\$21,818	\$5,000	\$26,818
030-500300	Equipment	\$0	\$5,000	\$5,000
041-500801	Audit Set Aside	\$6,912	\$0	\$6,912
060-500600	Benefits	\$357,227	(\$196,191)	\$161,036
067-500557	Training	\$0	\$3,200	\$3,200
070-500704	In-State Travel Reimbursement	\$1,539	\$0	\$1,539
080-500714	Out-of State Travel Reimbursement	\$0	\$1,000	\$1,000
101-500729	Medical Payments to Providers	\$0	\$0	\$0
102-500731	Contracts for Program Services	\$401,786	\$181,991	\$583,777
	Total Expenditures	\$1,066,268	\$0	\$1,066,268

EXPLANATION

The Department of Health and Human Services, Office of the Commissioner requests a retroactive, no-cost grant date extension for the Adult Medicaid Quality Grant. The Adult Medicaid Quality Grant is a competitive, federally funded initiative from the Center for Medicare and Medicaid Services (CMS) to assist states in building quality oversight to manage the state's Medicaid Programs. The Adult Medicaid Quality Grant program has three goals: 1) test and evaluate methods for data collection to measure the quality of the Medicaid programs. 2) develop staff capacity to monitor and improve the quality of the Medicaid programs and 3) conduct quality improvement projects related to CMS Adult Core Focus areas.

Through this grant, the Department has been able to establish the New Hampshire Medicaid Quality Program that produces information to support policy development, public reporting, and program management while leading quality improvement and assurance initiatives.

The Adult Medicaid Quality grant was originally a 3-year project from December of 2012 through December 2015, which included a 1-year no cost extension. CMS offered grantees the option of a second no cost extension of the grant for one additional year. New Hampshire applied and received approval from the CMS program office and final approval from the CMS Office of Acquisition and Grants Management for the second no cost extension on December 22, 2015 for the twelve month period through December 20, 2016.

Consistent with CMS' approval of the first no-cost extension, the Department brought forth FIS 15-034 which requested and was approved for an extension and re-alignment of the grant funding through June 30, 2015. At the time of submission of FIS 15-034, the Department had originally requested that the extension be granted through December 22, 2015 as that was the end date granted by CMS. Anticipating that CMS might approve a second no-cost extension in December 2015, the plan was to submit a new a fiscal item to add the extension through December 20, 2016. The request to have FIS 15-034 cover the time period through December 22, 2015 was denied as it went beyond the end of SFY 2015. However in the explanation of FIS 15-034 it is clear that the intent of the Department was to seek the authority to extend the expenditure of the grant funds through December 22, 2015, not June 30, 2015.

The inconsistency in dates in FIS 15-034 was discovered in December 2015 when the Department went to submit another fiscal item for an approved second no-cost extension from CMS for the AQM grant. With the discovery

The Honorable Neal M. Kurk, Chairman, and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council

February 25, 2016

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of this inconsistency, the Department is now mandated to request retroactive approval of the no-cost extension back to July 1, 2015 through December 20, 2016.

In addition to seeking retroactive approval of a second no-cost extension of the AQM grant, the Department is also requesting a realignment of the funds within the appropriation.

DHHS is transferring benefit funds as the Department initially anticipated but subsequently did not hire new project staff within the original timeframes of the grant resulting in a surplus of funds in the benefits line. This transfer of appropriations is required for New Hampshire to complete the work of the Adult Medicaid Quality Grant by utilizing the remaining 100% federal funds.

Funds are requested to be transferred to Current Expenses (Class 020) for quality manuals and materials needed for reporting measures required by the grant.

Funds are requested to be transferred to Equipment (Class 030) for purchase of computer monitors that are capable of supporting large excel spreadsheets and the Medicaid Quality Initiative System website.

Funds are requested to be transferred to Training (Class 067) for quality staff to attend LEAN trainings offered by the Division of Personnel to assure the collection and reporting of data is as efficient as possible.

Funds are requested to be transferred to Out-of-state travel (Class 080) for quality staff to attend required out-of-state conferences and trainings.

Funds are budgeted for Contracts for Program Services (Class 102) for a contract amendment to further develop the Medicaid Quality Information System, a web-based application allowing transparent reporting of Medicaid data. When fully operational, this system will be used by internal and external stakeholders to inform policy decisions and program management to assure the quality and efficiency of the NH Medicaid.

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: As noted above, this transfer of existing funds is necessary to continue the data consolidation service efforts.
- B. Does transfer involve continuing programs or one-time projects? This transfer involves the continuation of a one-time project of completing the work of the grant, to include the completion of the data system to be used to monitor the quality of the Medicaid programs.
- C. Is this transfer required to maintain existing program level or will it increase the program level? This transfer is required to maintain and complete the work of an existing grant.
- D. Cite any requirements which make this program mandatory. This program has been federally approved by enabling Congressional language and is being 100% funded by a federal award. The additional funds are needed to complete tasks committed to by the State to CMS
- E. Identify the source of funds on all accounts listed on this transfer. 100% federal funds.
- F. Will there be any effect on revenue if this transfer is approved or disapproved? There will be no impact on revenue.

- G. Are funds expected to lapse if this transfer is not approved? Yes, funds will lapse to CMS if this transfer is not approved.
- H. Are personnel services involved? No personnel services are impacted by this transfer.

H-1: Number of positions budgeted in each account: Not applicable

H-2: Number of positions filled in each account. Not applicable

H-3: Reason for vacant positions: Not applicable

H-4: Have any positions been transferred previously in these accounts? Not applicable

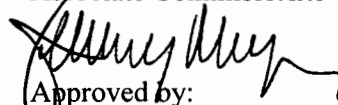
H-5: Will any positions be transferred as a result of this request? Not applicable
Geographic area served: Statewide

Source of Funds: These are 100% Federal Funds Adult Medicaid Quality Grant awarded to the New Hampshire Department of Health and Human Services.

Respectfully submitted,



Kathleen A. Dunn, MPH
Associate Commissioner



Approved by:
Jeffrey A. Meyers
Commissioner



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
 Commissioner

Kathleen A. Dunn
 Associate Commissioner

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January 9, 2015

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

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

REQUESTED ACTION

1) Pursuant to RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Office of Medicaid Business and Policy, to accept and expend additional federal funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services in the amount of \$2,932,930.00 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2015, and further authorize the allocation of these funds in the account below. 100% Federal Funds.

2) Pursuant to Chapter 3:7, II, Laws of 2014, Transfer Among Accounts, authorize the Department of Health and Human Services, Office of the Commissioner, to transfer \$301,672.86 within federal grants entitled "Adult Medicaid Quality Grant," from the United States Department of Health and Human Services, Center for Medicare and Medicaid Services. This request for transfer of funds is to re-align appropriated funds for the purpose of executing the mission of the Medicaid Quality Program at the state level, effective upon Fiscal Committee, and Governor and Executive Council, approvals through June 30, 2015, and further authorize the allocation of these funds in the account below. 100% Federal Funds.

05-95-47-470010-7946, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS POLICY, AFFORDABLE CARE
 ACT

CLASS OBJ	CLASS TITLE	CURRENT AUTHORIZED BUDGET	INCREASE/ DECREASE	REVISED MODIFIED BUDGET
000-400146	Federal Funds	\$8,445.00	\$0.00	\$8,445.00
000-400388	Federal Funds	\$663,458.24	\$0.00	\$663,458.24
000-403978	Federal Funds	\$10,962,735.25	\$2,932,930.00	\$13,895,665.25
	General Funds	\$111,380.61	\$0.00	\$111,380.61
	Total Revenue	\$11,746,019.10	\$2,932,930.00	\$14,678,949.10

CLASS OBJ	CLASS TITLE	CURRENT AUTHORIZED BUDGET	INCREASE/ DECREASE	REVISED MODIFIED BUDGET
010-500100	Personal Services - Perm. Class	\$743,139.25	(\$301,672.86)	\$441,466.39
020-500200	Current Expenses	\$46,879.09	\$0.00	\$46,879.09
030-500300	Equipment	\$6,455.71	\$0.00	\$6,455.71
041-500801	Audit Set Aside	\$18,448.40	\$2,930.00	\$21,378.40
060-500600	Benefits	\$426,169.40	\$0.00	\$426,169.40
070-500705	In-State Travel Reimbursement	\$1,571.00	\$0.00	\$1,571.00
101-500729	Medical Payments to Providers	\$9,716,598.00	\$2,930,000.00	\$12,646,598.00
102-500731	Contracts for Program Services	\$786,758.25	\$301,672.86	\$1,088,431.11
	Total Expenditures	\$11,746,019.10	\$2,932,930.00	\$14,678,949.10

EXPLANATION

Requested Action #1

The NH Department of Health and Human Services, Medicaid Program, under Section 1202 of the Affordable Care Act, is required to increase primary care reimbursement to parity with Medicare for calendar years 2013 and 2014. The Affordable Care Act implements Medicaid payment for primary care services furnished by certain physicians in calendar years 2013 and 2014 at rates not less than the Medicare rates in effect in those calendar years. This minimum payment level applies to specified primary care services furnished by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine, and also applies to services paid through Medicaid managed care plans. It is a 100 percent federal matching rate for any increase in payment above the amounts that would be due for these services under the provisions of the State plan as of July 1, 2009. The rate increase is the difference between the enhanced rate and the 2009 NH fee for service rate.

Acceptance of these additional federal funds is needed in order to process payment for the final quarterly payment ending December 31, 2014.

- Class 041 The funds will be used to pay audit fund set aside expense.
- Class 101 The funds will be used to make the primary care reimbursement as referenced herein.

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 Department offers the following information: These 100% federal cannot be used to offset general funds, as they are restricted to the activities referenced herein. Should the request be denied, the funds in question must be returned to the Federal Government and the State of New Hampshire will be out of compliance with Federal requirements.

Requested Action #2

The Department of Health and Human Services seeks approval to transfer funds between class codes to continue building a quality oversight program, under the Adult Medicaid Quality grant project, to manage the Department's Medicaid Programs. The Centers for Medicare and Medicaid Services originally awarded the Adult Medicaid Quality grant to the Department for the period of December 2012 through December 2014. The Department received approval from the Centers of Medicare and

The Honorable Neal M. Kurk, Chairman, and
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Medicaid Services Office of Acquisition and Grants Management on December 4, 2014 for a twelve month no cost extension through December 20, 2015. See attached grant award.

The Department was unable to hire all the projected staff within the original timeframes of the grant resulting in unspent funding on salaries and benefits. With the extension of the grant period, the Department is requesting the unspent grant funds to be transferred to the contract class code (Class 102) in State Fiscal Year 2015 to continue the Quality Oversight project by:

- 1) Completing the Medicaid Quality Information System, a web-based application allowing transparent reporting of Medicaid data. When fully operational, this system will be used by internal and external stakeholders to inform policy decisions and program management to assure the quality and efficiency of the New Hampshire Medicaid Programs; and
- 2) Calculating the quality measures required by the Centers for Medicare and Medicaid Services.

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: As noted above, this transfer of existing funds is necessary to continue the data consolidation service efforts.
 - B. Does transfer involve continuing programs or one-time projects? This transfer involves the continuation of a one-time project of completing the work of the grant, to include the completion of the data system to be used to monitor the quality of the Medicaid programs, and to calculate the quality measures required by Centers for Medicare and Medicaid Services.
 - C. Is this transfer required to maintain existing program level or will it increase the program level? This transfer is required to maintain and complete the work of an existing grant.
 - D. Cite any requirements which make this program mandatory. There are no requirements that make this grant mandatory. However, this program has been federally approved by enabling Congressional language and is being 100% funded by a federal award.
 - E. Identify the source of funds on all accounts listed on this transfer. 100% federal funds.
 - F. Will there be any effect on revenue if this transfer is approved or disapproved? There will be no impact on revenue.
 - G. Are funds expected to lapse if this transfer is not approved? Yes, funds will lapse if this transfer is not approved.
 - H. Are personnel services involved? No personnel services are impacted by this transfer.
- H-1: Number of positions budgeted in each account: Not applicable
- H-2: Number of positions filled in each account. Not applicable
- H-3: Reason for vacant positions: Not applicable
- H-4: Have any positions been transferred previously in these accounts? Not applicable
- H-5: Will any positions be transferred as a result of this request? Not applicable

The Honorable Neal M. Kurk, Chairman, and
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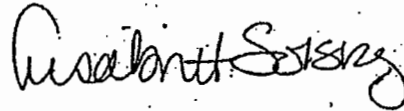
Geographic area served: Statewide

Source of Funds:

Requested Action #1: 100% Federal Funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

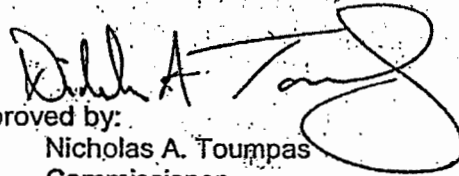
Requested Action #2: 100% Federal Funds from the United States Department of Health and Human Services, Center for Medicare and Medicaid Services, Adult Medicaid Quality Grant.

Respectfully submitted,



for

Kathleen A. Dunn, MPH
Associate Commissioner



Approved by:

Nicholas A. Toumpas
Commissioner

1. DATE ISSUED MM/DD/YYYY 12/04/2014	2. CFDA NO. 93.609	3. ASSISTANCE TYPE Project Grant
12. SUPERSEDES AWARD NOTICE dated 12/20/2013 except that any additions or restrictions previously imposed remain in effect unless specifically rescinded		
4. GRANT NO. 1F1CMS331103-01-02 Formerly	5. ACTION TYPE Post Award Amendment	
6. PROJECT PERIOD From 12/21/2012	Through 12/20/2015	
7. BUDGET PERIOD From 12/21/2012	Through 12/20/2015	

Department of Health and Human Services
Centers for Medicare & Medicaid Services
Office of Acquisitions and Grants Management
7500 Security Boulevard
Baltimore, MD 21244

NOTICE OF AWARD
AUTHORIZATION (Legislation/Regulations)
Affordable Care Act, Section 2701, Adult Health Quality Measures

8. TITLE OF PROJECT (OR PROGRAM) Adult Medicaid Quality	
9a. GRANTEE NAME AND ADDRESS New Hampshire Dept of Health & Human Services 129 Pleasant St Medicaid Business and Policy Concord, NH 03301-3852	
10a. GRANTEE AUTHORIZING OFFICIAL Valerie Brown 129 Pleasant Street Medicaid Business and Policy Concord, NH 03301 Phone: (603) 271-9434	

9b. GRANTEE PROJECT DIRECTOR Mr. Patrick McGowan 129 Pleasant St Concord, NH 03301-3852 Phone: 603-271-9534
10b. FEDERAL PROJECT OFFICER Virginia Raney 7500 Security Boulevard Baltimore, MD 21244-null Phone: 410-786-6117

ALL AMOUNTS ARE SHOWN IN USD

11. APPROVED BUDGET (Excludes Direct Assistance)	
I Financial Assistance from the Federal Awarding Agency Only	
II Total project costs including grant funds and all other financial participation <input checked="" type="checkbox"/>	
a. Salaries and Wages	114,673.14
b. Fringe Benefits	59,631.00
c. Total Personnel Costs	174,304.14
d. Equipment	15,000.00
e. Supplies	7,400.00
f. Travel	13,272.00
g. Construction	0.00
h. Other	87,080.00
i. Contractual	1,685,887.86
j. TOTAL DIRECT COSTS	1,982,944.00
k. INDIRECT COSTS	0.00
l. TOTAL APPROVED BUDGET	1,982,944.00
m. Federal Share	1,982,944.00
n. Non-Federal Share	0.00

12. AWARD COMPUTATION	
a. Amount of Federal Financial Assistance (from Item 11m)	1,982,944.00
b. Less Unobligated Balance From Prior Budget Periods	0.00
c. Less Cumulative Prior Award(s) This Budget Period	1,982,944.00
d. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	0.00
13. Total Federal Funds Awarded to Date for Project Period	1,982,944.00

14. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project)			
YEAR	TOTAL DIRECT COSTS	YEAR	TOTAL DIRECT COSTS
a. 2		d. 5	
b. 3		e. 6	
c. 4		f. 7	

15. PROGRAM INCOME SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:	
a. DEDUCTION	<input checked="" type="checkbox"/> b
b. ADDITIONAL COSTS	
c. MATCHING	
d. OTHER RESEARCH (Add / Deduct Option)	
e. OTHER (See REMARKS)	

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY, THE FEDERAL AWARDOING AGENCY 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
b. The grant program regulations
c. This award notice including terms and conditions, if any, noted below under REMARKS.
d. Federal administrative requirements, cost principles and subgrant requirements applicable to this grant.

In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

REMARKS (Other Terms and Conditions Attached - Yes No)

This Notice of Award approves the Key Personnel staff changes, the revised budget narrative, and the 12 month No cost extension per the grantee's request. Please feel free to contact our office with any questions or concerns.

GRANTS MANAGEMENT OFFICER: Michelle Peagins, Grants Management Officer

17. OBJ CLASS 41405 FY-ACCOUNT NO.	18a. VENDOR CODE 1026000618E5 DOCUMENT NO.	18b. EIN 026000618 ADMINISTRATIVE CODE	19. DUNS 011040545 AMT ACTION FIN ASST	20. CONG. DIST. 02 APPROPRIATION
21. a. 4-5991064	b. AMQG131103	c. AMQG	d. \$0.00	e. 7530509
22. a.	b.	c.	d.	e.
23. a.	b.	c.	d.	e.