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

Jeffrey A. Meyers
Commissioner

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May 29, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

#1 - Authorize the Department of Health and Human Services to accept additional federal funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services in the amount of \$20,100,000 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2018. The source of funds is 100% Federal.

05-95-47-470010-7948, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS:MEDICAID&BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY MEDICAID CARE MANAGEMENT

CLASS / OBJ	CLASS TITLE	FY 2018 Current Authorized Budget	This Request	FY 2018 Adjusted Budget
000-403978	Federal Funds	\$360,656,644	\$20,100,000	\$380,756,644
005-402201	Agency Income: Medicaid Enhancement – Local	\$152,833,504		\$152,833,504
007-407145	Agency Income Drug Rebates	\$21,500,000		\$21,500,000
009-406848	Agency Income MEAD	\$149,200		\$149,200
	General Fund	\$174,758,196		\$174,758,196
	Total Revenue	\$709,897,544	\$20,100,000	\$729,997,544
041-500801	Audit Set Aside	\$350,457	\$0	\$350,457
101-500729	Medical Payments to Providers	\$709,547,087	\$0	\$709,547,087
	Total Expense	\$709,897,544	\$0	\$709,897,544

#2 - Pursuant to RSA 126-A:75, Excess Appropriation Allocation Account, authorize the Department of Health and Human Services to accept additional federal funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services in the amount of \$8,113,279 effective upon approval by the Fiscal Committee July 1, 2018 through June 30, 2019. The source of funds is 100% Federal.

05-95-47-470010-7948, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS:MEDICAID&BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY MEDICAID CARE MANAGEMENT

CLASS / OBJ	CLASS TITLE	FY 2019 Current Authorized Budget	This Request	FY2019 Adjusted Budget
000-403978	Federal Funds	\$369,034,841	\$8,113,279	\$377,148,120
005-402201	Agency Income: Medicaid Enhancement – Local	\$160,458,667		\$160,458,667
007-407145	Agency Income Drug Rebates	\$18,000,000		\$18,000,000
009-406848	Agency Income MEAD	\$147,600		\$147,600
	General Fund	\$190,070,424		\$190,070,424
	Total Revenue	\$737,711,532	\$8,113,279	\$745,824,811
041-500801	Audit Set Aside	\$358,150	\$0	\$358,150
101-500729	Medical Payments to Providers	\$737,353,382	\$0	\$737,353,382
	Total Expense	\$737,711,532	\$0	\$737,711,532

EXPLANATION

The Department is requesting to (i) accept Federal funds in the Medicaid program for SFY 2018 and (ii) accept Federal funds in the Medicaid program for SFY 2019.

Approval of this request is pursuant to RSA 126-A:75 which establishes an excess appropriation allocation account in the department of health and human services for the biennium ending June 30, 2019, immediately upon acceptance by the fiscal committee of the general court. The federal funds being accepted are a result of the reauthorization of the Medicaid Children’s Health Insurance Program (CHIP) and represent the thirty eight percentage point enhanced federal match. Due to uncertainty in future availability of federal funds, during the SFY 2018 budget, the Department only budgeted one quarter (three months) of Medicaid CHIP revenue received at a federal match of 88%, and three quarters at 50% federal match; and all four quarters of SFY 2019 at a federal match of 50%. On January 22, 2018, Congress passed a six-year extension of CHIP funding as part of a broader continuing resolution to fund the federal government, which provides federal funding for CHIP for six years starting at the enhanced rate of 88%.

Pursuant to RSA 126-A:75, “The commissioner of administrative services shall then transfer general funds of an equal amount from accounting unit 05-95-47-470010-7948 Medicaid Care Management into the excess appropriation allocation account. Any funds remaining unspent in the excess allocation appropriation account at the end of each fiscal year shall lapse to the state general fund.”

For SFY 2019, the amount of \$8,113,279 is being requested in order to support the legislative intent for the following list of bills. Additional fiscal item requests will be submitted as the additional federal funds become available.

SB 63	Total Funds	Excess Appropriation Allocation Account	General Funds	Federal Funds
DCYF	\$167,515	\$103,859		\$63,656
Sub-Total	\$167,515	\$103,859	\$0	\$63,656

This bill provides funding for two program assistant I positions within the Division for Children, Youth and Families.

SB 592	Total Funds	Excess Appropriation Allocation Account	General Funds	Federal Funds
DCYF	\$1,333,000	\$826,460		\$506,540
DCYF	\$718,000	\$445,160		\$272,840
DCYF	\$500,000	\$310,000		\$190,000
DCYF	\$1,500,000			
DCYF	\$250,000			
DCYF	\$250,000			
DCYF	\$500,000	\$500,000		
DCYF	\$190,000	\$117,800		\$72,200
Sub-Total	\$5,241,000	\$2,199,420	\$0	\$1,041,580

This bill provides funding for positions within the Division for Children, Youth and Families including 25 child protection social workers, two supervisors, two executive secretaries, and two staff attorneys as well as funding for two contracted licensed alcohol and drug counselors. The bill also provides funding for foster care rates, foster care programs and voluntary services to children, youth and families.

HB 1743	Total Funds	Excess Appropriation Allocation Account	General Funds	Federal Funds
SYSC	\$900,000	\$900,000		
SYSC	\$1,800,000	\$1,800,000		
Sub-Total	\$2,700,000	\$2,700,000	\$0	\$0

This bill provides funding for rehabilitation programs and operational costs of the Sununu youth services center.

SB 590	Total Funds	Excess Appropriation Allocation Account	General Funds	Federal Funds
PH	\$410,000	\$410,000		
LTSS	\$5,400,000	\$2,700,000		\$2,700,000
BH	\$3,421,696		\$2,360,848	\$1,060,848
BH	\$500,000		\$500,000	
Sub-Total	\$9,731,696	\$3,110,000	\$2,860,848	\$3,760,848

This bill provides funding for the state loan repayment program and developmental disabilities wait list.

TOTAL	\$17,840,211	\$8,113,279	\$2,860,848	\$4,866,084
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The Department will submit a fiscal item to accept the additional federal revenue in 79480000 Medicaid Care Management into the excess appropriation allocation account. The commissioner of administrative services shall then transfer general funds of an equal amount from accounting unit 05-95-47-470010-7948 Medicaid Care management into the excess appropriation allocation account. Any funds remaining unspent in the excess allocation appropriation account at the end of each fiscal year shall lapse to the state general fund.

Should Governor and Executive Council not authorize this request, the Department would be unable to meet the legislative requirement of SB 63.

Source of Funds 100% Federal Funds from the United States Department of Health and Human Services Centers for Medicare and Medicaid Services, Medical Assistance Program, Medicaid Title XIX, Catalog of Federal Domestic Assistance (CFDA) #93.778.

Respectfully submitted,

Approved by:


 Jeffrey A. Meyers
 Commissioner