



13 mac

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

Jeffrey A. Meyers
 Commissioner

Henry D. Lipman
 Director

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

May 21, 2019

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

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

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, Additional Revenues authorize the Department of Health and Human Services to accept and expend additional federal funds from Title XIX Medicaid federal funds from the Centers for Medicare and Medicaid Services in the amount of \$24,535,789, and decrease the County ProShare agency income in the amount of \$6,736,035 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2019.

05-95-47-470010-3413 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF
 HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY, CFI & NURSING HOME SVS

CLASS / OBJ	CLASS TITLE	Current Authorized Budget	Increase / Decrease	Adjusted Authorized
000-404362	Federal Funds	\$217,199,455	\$24,535,789	\$241,735,245
005-403011 Local Nursing	Other	\$114,925,019		\$114,925,019
005-403399 County ProShare	Other	\$29,033,748	(\$6,736,035)	\$22,297,713
007-402241-Agency MQIP	Other	\$48,237,482		\$48,237,482
	General Funds	\$22,479,214		\$22,479,214
	Total Revenue	\$431,874,919	\$17,799,754	\$449,674,673
040-500800	Indirect Costs	\$128,395		\$128,395
041-500801	Audit Set Aside	\$214,544	\$24,531	\$239,075
101-500729	Medical Payments to Providers	\$7,653,469		\$7,653,469
504-500893	Nursing Home Payments	\$199,819,418		\$199,819,418
505-500894	Mid-Level Care Svs	\$11,629,369		\$11,629,369
506-500895	Home Support Waiver Svs	\$45,416,028		\$45,416,028
509-500897	Other Nursing Services	\$4,681,161		\$4,681,161
514-500356	Proshare	\$58,067,496	\$17,775,223	\$75,842,719
516-500358	Medicaid Quality Incentive	\$97,024,257		\$97,024,257
529-500370	Home Health Care Waiver Svs	\$7,240,782		\$7,240,782
	Total Expense	\$431,874,919	\$17,799,754	\$449,674,673

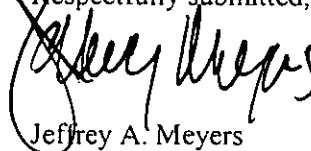
EXPLANATION

The Department is requesting to accept federal funds claimed to the Centers for Medicare and Medicaid Services on behalf of county nursing facilities, and replace the County Proportionate Share Agency income with the accepted matching federal funds.

Proportionate Share Payments (Proshare) are supplemental payments made to county-owned nursing facilities. The payments are funded in part by a federal match. Through a State Plan Amendment approved by the Center for Medicare and Medicaid Services (CMS) in June, 2018, more favorable methodologies increased available funding to the eleven County owned nursing facilities. While there is increased federal match of \$24.5 million in 2019, the methodologies utilize less in intergovernmental transfers (IGT) and more in certified public expenditures (CPE). The subsequent decrease in County Proshare Agency income reflects the fact that CPE relies on drawing match based on a presentation of unreimbursed costs to CMS versus the use of transferred monies under an IGT. Eight of the eleven County owned nursing facilities are now using the CPE method. Since this change occurred after the 2018 and 2019 Proshare was budgeted it is necessary to reflect the increased Proshare expenditures due to the new methodologies and reduce the agency income by \$6.7 million (a net budget change of \$17.8 million in increased Proshare payment expense) to be reflective of how the CPEs generate the federal match. These annual payments are required to be made in June of each year.

If this request is not approved by the Fiscal Committee and Governor and Council, the State will be unable to make the total Proportionate Share payments to the counties prior to the end of the State Fiscal Year. This would have a detrimental effect on the anticipated cash flows to the counties.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner