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**STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY**

Jeffrey A. Meyers
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9474 1-800-852-3345 Ext. 9474

Christine L. Santaniello
Director

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May 28, 2019

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

REQUESTED ACTION

1) Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to enter into a Memorandum of Understanding with the New Hampshire Department of Employment Security, 45 South Fruit Street, Concord, NH 03301 (Vendor #99459), to provide new hire reporting services related to child support collection activity, in an amount not to exceed \$298,000 effective July 1, 2019, or upon Governor and Executive Council approval, whichever is later, through June 30, 2021. 66% Federal Funds, 34% General Funds.

Funds are anticipated to be available in the following account for State Fiscal Year (SFY) 2020 and SFY 2021, upon the availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between state fiscal years through the Budget Office if needed and justified.

05-95-42-4270-79290000-42700028 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: CHILD SUPPORT SERVICES, CHILD SUPPORT SERVICES

Fiscal Year	Class/ Object	Class Title	Job Number	Budget Amount
2020	049-584927	Transfer to Agencies, NH Employment Security	42700028	\$145,000
2021	049-584927	Transfer to Agencies, NH Employment Security	42700028	\$153,000
			Total:	\$298,000

2) Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to enter into a Memorandum of Understanding with the New Hampshire Department of Employment Security, 45 South Fruit Street, Concord, NH 03301 (Vendor #99459), to provide unemployment compensation intercept and parent locator services related to child support collection activity, in an amount not to exceed \$32,000 effective July 1, 2019, or upon Governor and Executive Council approval, whichever is later, through June 30, 2021. 66% Federal Funds, 34% General Funds.

Funds are anticipated to be available in the following account for State Fiscal Year (SFY) 2020 and SFY 2021, upon the availability and continued appropriation of funds in the future operating budget, with authority to adjust encumbrances between state fiscal years through the Budget Office if needed and justified.

05-95-42-4270-79290000-42700028 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: CHILD SUPPORT SERVICES, CHILD SUPPORT SERVICES

Fiscal Year	Class/ Object	Class Title	Job Number	Budget Amount
2020	049-584927	Transfer to Agencies, NH Employment Security	42700028	\$16,000
2021	049-584927	Transfer to Agencies, NH Employment Security	42700028	\$16,000
			Total:	\$32,000

EXPLANATION

The purposes of these requests are for the New Hampshire Department of Employment Security (NHES) to provide the services described in Requested Action 1, required by New Hampshire RSA 282-A:117-a; and to provide the services described in Requested Action 2, required by New Hampshire RSA 282-A:159. Both statutes also require NHES to enter into agreements with the Department of Health and Human Services (Department) to ensure that associated service costs are paid by the Department. As such, these services are not subject to the competitive bidding requirement of ADM. 311.07 and cannot lapse.

Approximately 41,033 children are impacted by services provided through these Memorandums of Understanding.

On a biennial basis, the Agreements are renegotiated to coincide with the State budget process and to meet certain procedural requirements prescribed by the Department of Administrative Services regarding appropriation and encumbering of funds for these programs and services.

The Memorandum of Understanding (MOU) in Requested Action 1 continues the comprehensive New Hire program, including the collection of new hire information from employing units and the maintenance of the State Directory of New Hires through June 30, 2021. Pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, P.L. 104-193, and NH RSA 282-A:117-a, information regarding newly hired workers must be gathered and reported. NH RSA 282-A:117-a provides that any employing unit must report to NHES, within twenty (20) calendar days of such employment, the hiring or rehiring of any individual or when contracting or reimbursement for such services is anticipated to exceed twenty five hundred dollars (\$2,500.00). NHES uses this information to maintain a State Directory of New Hires.

NHES and the Department are mandated to conduct automated comparisons of New Hire information. Within three (3) business days of the New Hire information being entered into the State Directory of New Hires, the New Hire information must be furnished to the National Directory of New Hires. The Department uses such information to establish and enforce child support obligations, and for the administration of any programs specified in 42 U.S.C. 1320b-7(b) such as Medicaid, Temporary Assistance for Needy Families and the Supplemental Nutrition Assistance Program, for purposes of verifying eligibility for such program(s). Additionally, NHES must also access the New Hire information for use in its administration of unemployment compensation programs.

The MOU in Requested Action 2 continues parent locator services, cross-match services and unemployment compensation intercept services through June 30, 2021. The Federal Parent Locator Service was created by 42 U.S.C. Section 63 and authorizes state Child Support (IV-D) agencies to enter into collaborations to share information to determine the location of individuals who owe child support obligations. RSA 282-A:159 authorizes the withholding of all, or part of, an unemployment compensation payment in those instances when a child support payment has been ordered by a court.

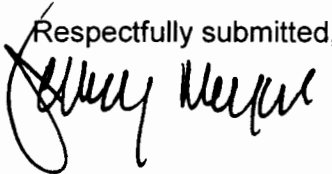
Through this Agreement, these two services will be provided by NHES to the Division of Economic and Housing Stability.

Should the Governor and Executive Council not authorize these requests; the Department will be unable to comply with both Federal and State laws requiring these services. A loss of these services could result in reduced child support collections, federal sanctions, and loss of child support incentive funds. These services have been proven to be effective tools in the establishment and enforcement of child support and for collecting child support payments.

Area served: Statewide

Source of funds: 66% Federal Funds from the Administration for Children and Families, Department of Health and Human Services, Office of Child Support Enforcement, Catalog of Federal Domestic Assistance (DFDA) #93.563, Federal Award Identification Number (FAIN) 1904NHCSSES and 34% General Funds.

In the event that Federal Funds become no longer available, no additional General Funds will be requested to support these agreements.

Respectfully submitted,


Jeffrey A. Meyers
Commissioner

MEMORANDUM OF AGREEMENT (MOU-2020-DEHS-02-NEWHI)
BETWEEN
NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
And
NEW HAMPSHIRE DEPARTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF ECONOMIC AND HOUSING STABILITY

NEW HIRE REPORTING

THIS AGREEMENT, entered into by and between the New Hampshire Department of Employment Security (NHES) and the New Hampshire Department of Health and Human Services (DHHS), Division of Economic and Housing Stability (DEHS), is for the purpose of providing employer New Hire information to DHHS in Accordance with 42 U.S.C. §653a, 42 U.S.C. §503, NH RSA 161-B:7, and NH RSA 282-A:117-a.

ARTICLE 1

DEFINITIONS

For the purpose of this Agreement:

- A. The acronym DHHS means the New Hampshire Department of Health and Human Services, Division of Economic and Housing Stability.
- B. The acronym NHES means the New Hampshire Department of Employment Security.
- C. The acronym OCSE means the United States Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement.
- D. The term “National Directory of New Hires” means an automated directory of new hire and associated information established and maintained by the United States Secretary of Health and Human Services.
- E. The term “State Directory of New Hires” means an automated directory maintained by NHES and containing such new hire information as required by RSA 282-A:117-a and 42 U.S.C. §653a.
- F. The term “Employing Unit” means employing unit as defined in RSA 282-A:7-I.
- G. The term “New Hire Information Report” means new hire information as reported by employing units pursuant to New Hampshire RSA 282-A:117-a and such administrative rules adopted thereunder.
- H. The term “New Hire Information File” means the data file containing new hire information as reported to NHES and contained in the State Directory of New Hires.
- I. The term “UC Quarterly Wage Extracts” means quarterly reports of wages as required under 42 U.S.C. 503(a)(6).

- J. The term "UC Claims Data" means quarterly reports, as required by 42 U.S.C. §503(a)(6) of individuals who have applied for, are receiving, or have received unemployment compensation.
- K. The term "Connect Direct" means a peer-to-peer file-sharing protocol used to facilitate the transfer of data between the National Directory of New Hires and NHES or DHHS. Clients of Connect Direct connect to a central hub and can download files directly from one user to another.

ARTICLE 2

AUTHORITY OF PURPOSE

- A. This Agreement is entered into and under the authority of 42 U.S.C. §653a, 42 U.S.C. §503, NH RSA 126-A:5, NH RSA 161-H:2, NH RSA 161-B:7, NH RSA 282-A:112, and NH RSA 282-A:117-a.
- B. The purpose of the Agreement by and between NHES and DHHS is to promote and maintain the comprehensive New Hire Program which includes, but is not limited to, the collection of new hire information from employing units, the maintenance of a State Directory of New Hires, the utilization of such new hire information as authorized by law, and to provide and exchange such information with the National Directory of New Hires as authorized and required by State and Federal law.

ARTICLE 3

SCOPE OF WORK

- A. NHES shall be responsible for notifying all New Hampshire employing units of the requirement of reporting all New Hires as required by NH RSA 282-A:117-a, and under such rules as adopted. Such notification shall include information about the methods and procedure for providing New Hire information reports. NHES shall make the appropriate preparations and notify and educate such employing units by performing the following tasks:
 - 1. Provide New Hire information to all New Hampshire employing units by:
 - a. Conducting mailings, as needed, to advise and inform all New Hampshire employing units of any significant changes in the law, administrative rules, policy, or procedure regarding New Hire information reporting obligations;
 - b. Providing supplemental informational mailings on an on-going basis and in addition to mailings associated with any significant change in the law, administrative rules, policy or procedure, conducted a minimum of one (1) time per each calendar year;
 - c. Developing, printing, and distributing such brochures, with the advice and consent of DHHS; and
 - d. Providing postage and envelopes for each mailing. Mailings may be in conjunction with regular NHES mailings.
 - 2. Maintain and staff a toll free telephone line and maintain a readily accessible employer question and answer hotline.

3. Adopt such administrative rules, with the advice and consent of DHHS, as may be necessary for the efficient administration of NH RSA 282-A:117-a, including but not limited to, NH Admin. Rule Part Emp 308.
4. Participate, in cooperation with DHHS to the extent possible, in promoting the New Hire reporting program by participating in an on-going outreach effort, including, but not limited to, appearing at speaking engagements before such groups as the Business and Industry Association, the various payroll organizations, and at employment seminars.
5. Investigate and enforce against, as appropriate, possible cases of New Hampshire employing units in violation of the requirements for reporting all New Hires as required by NH RSA 282-A:117-a, and under such rules as adopted.

B. NHES shall be responsible for collecting New Hire information reports from employing units in accordance with RSA 282-A:117-a and any administrative rules adopted thereunder, including Emp 308.02 and 308.03. NHES shall make the appropriate preparations and collect such New Hire reports by performing the following tasks:

1. Accept New Hire information reports in such form or format as provided by NH RSA 282-A:117-a and administrative rules adopted thereunder, from employing units via first class mail, fax, electronic file or magnetic media (tape, diskette, or cartridge), webtax or by any other means mutually agreed upon by:
 - a. Providing and maintaining a Post Office box for New Hire information reports submitted by mail;
 - b. Providing a fax machine with adequate memory capacity and maintaining a toll-free fax line for New Hire information reports submitted by employing units via fax; and
 - c. Informing Employing Units of the acceptable format(s) and procedure for reporting by electronic file and accepting such reports in two (2) monthly transmissions not less than twelve (12) nor more than sixteen (16) calendar days apart.
 - d. Providing access via Internet for reporting New Hire information reporting submitted by employing units.

C. NHES has established and shall maintain the State Directory of New Hires in accordance with 42 U.S.C. §653a, NH RSA 282-A:117-a, and all administrative rules adopted thereunder. NHES maintains the State Directory of New Hires by performing the following tasks:

1. Providing such computer hardware and software as is required to accept, store, and maintain automated New Hire information reports as provided by employing units and to compile, produce, and transmit New Hire information files as required under 42 U.S.C. §653a, NH RSA 282-A:117-a, all administrative rules adopted there under, and pursuant to Article 4-D of this Agreement. The State Directory of New Hires shall be a secure database and shall include sufficient back-up capabilities to ensure the successful transmission of the New Hire information file.

2. Entering New Hire information reports, which are properly submitted to NHES pursuant to NH RSA 282-A:117-a and all administrative rules adopted thereunder, into the State Directory of New Hires within five (5) business days of receipt.

D. NHES shall transfer to DHHS New Hire information files as contained in the State Directory of New Hires in a file format as specified by OCSE and in accordance with the record specifications for the National Directory of New Hires. NHES shall make the appropriate preparations and shall effect the transfer of the New Hire information file by performing the following tasks:

1. On a daily basis and in accordance with the schedule set forth in the paragraph below, NHES shall transfer a New Hire information file containing only the individual New Hire information reports which were entered into the State Directory of New Hires on that particular day.
2. NHES shall transfer each New Hire information file containing the individual New Hire information reports, which were entered into the State Directory of New Hires on that particular day, to DHHS by electronic transfer by 3:30 P.M. on the same business day.
3. DHHS shall conduct an automated comparison with the New Hire information file in accordance with NH RSA 282-A:117-a.

E. NHES shall, with the assistance of DHHS, furnish New Hire information to the National Directory of New Hires within three (3) business days after the information is entered into the State Directory of New Hires. NHES shall make the appropriate preparations and the parties shall effect the transfer of the New Hire information to the National Directory of New Hires by performing the following tasks:

1. NHES shall transfer to DHHS New Hire information files as entered into the State Directory of New Hires in a file format as specified by DHHS;
2. DHHS shall, after performing the automated comparison as provided by NH RSA 282-A:117-a, transfer the New Hire information file to the National Directory of New Hires via Cyberfusion; and
3. The method of transfer from NHES to DHHS shall be by electronic file. Subsequent to the transfer of the New Hire information file to the National Directory of New Hires and all other automated comparisons as authorized under NH RSA 282-A:117-a, DHHS shall return the electronic file to NHES.

F. Commencing on July 1, 2019, NHES shall continue, with the assistance of DHHS, to furnish UC claim data to the National Directory of New Hires, via Cyberfusion, by such dates, in such format, and containing such information as the United States Secretary of Health and Human Services shall specify in regulations.

G. Commencing on July 1, 2019, NHES shall continue, with the assistance of DHHS, to furnish quarterly wage extracts to the National Directory of New Hires, via Connect Direct, by such dates, in such format, and containing such information as the United States Secretary of Health and Human Services shall specify in regulations.

ARTICLE 4

DURATION OF AGREEMENT

A. This Agreement will commence on July 1, 2019, upon Governor and Executive Council approval. The term of this Agreement is July 1, 2019 through June 30, 2021 and shall continue thereafter year to year at the mutual agreement of both parties subject to available funds appropriated through the biennium budget process and/or through subsequent Governor and Executive Council action.

B. This Agreement may be modified in writing at any time by mutual consent of both NHES and DHHS and approval by the Governor and Executive Council.

C. In the event changes in either State or Federal laws and/or regulations occur which render performance hereunder illegal, void, impracticable, or impossible, this Agreement will terminate immediately. DHHS will reimburse NHES for all costs incurred under this Agreement within thirty (30) days of such termination.

ARTICLE 5

CONFIDENTIALITY

A. DHHS and NHES shall adopt policies and procedures to ensure that information contained in their respective records and obtained from each other, or from others in carrying out their functions under this Agreement, shall be used solely as provided in 42 U.S.C 653a, regulations promulgated thereunder, NH RSA 161-B:7 and NH RSA 282-A:117-a, et seq.

B. It is agreed:

1. To restrict access to the data to only those authorized employees and officials who need it to perform their official duties in connection with the intended uses within the confines of this Agreement.
2. To store the data in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.
3. To process and store the data under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the data and in such a way that unauthorized persons cannot access or retrieve the data by means of computer, remote terminal, or any other means.
4. DHHS and NHES will neither disclose to any individual or organization nor duplicate any information received pursuant to this Agreement except as permitted by 42 U.S.C. 653a and regulations promulgated thereunder; 5 U.S.C. 552, 5 U.S.C. 552a, notes, rules and regulations promulgated thereunder; N.H. RSA 161-B:7 and N.H. RSA 282-A: 118, 119, 121, and 125; and NH RSA 91-A. NHES shall be advised by DHHS prior to any such disclosure or duplication and must agree in writing to any duplication or disclosure.

5. DHHS will retain the identifiable UC and wage data received from NHES only for the period of time required for any processing related to the matching program and will then destroy the records unless the identifiable data must be retained in the individual files to meet evidentiary requirements. In that event, DHHS will destroy the data in accordance with the Federal Records Retention Schedule. DHHS shall not create a separate file or system that consists of information concerning only those individuals who are involved in the specific matching program.
6. To advise all personnel who will have access to the data of its confidential nature, the safeguards required to protect it and the civil and criminal sanctions for non-compliance contained in the applicable Federal and State statutes.
7. To permit NHES and DHHS to make onsite inspections of each other's facilities to ensure that adequate safeguards are being maintained and the requirements of this Agreement are being met.
8. DHHS shall, prior to any exchange of information, provide NHES a list of all officials and employees, by position, who will have the authority to request, receive, and obtain information from NHES and shall update NHES' list annually.
9. DHHS shall report to NHES and NHES shall report to DHHS, promptly and fully, any suspected or actual violation of the confidentiality requirements of this Agreement.

ARTICLE 6

COST/REIMBURSEMENT

- A. DHHS shall reimburse NHES for the actual amount of approved costs as listed in *Attachment #1*.
- B. NHES shall define and document all costs incurred under this Agreement as follows:
 1. On-going costs shall be based upon the personnel costs associated with data preparation, data entry, program administration, hardware and software replacements and maintenance, and the costs of transmission of the New Hire Information file. All personnel costs shall be categorized within the existing Federal Cost Accounting System reporting format. The number of individual reports on each New Hire information file shall be documented by NHES and verified by DHHS.
- C. The estimated annual costs for this service for the period July 1, 2019 through June 30, 2020 is \$145,000.00 and for July 1, 2020 through June 30, 2021 is \$153,000.00 for a total cost of \$298,000.00 during the term of the Agreement.
- D. Costs incurred under this Agreement will be documented by the NHES cost accounting system and billed to DHHS on a monthly basis.
- E. All invoices shall be submitted to DHHS within thirty (30) calendar days of the end of each calendar month and shall contain sufficient detail to satisfy federal and state audit requirements. DHHS shall review each invoice and NHES shall be reimbursed in accordance with each invoice and shall deduct from the appropriated fund ten (10) days after the invoice is submitted to DHHS.

F. The costs listed on *Attachment #1* are guaranteed for the term of the Agreement, July 1, 2019 through June 30, 2021. Any cost change shall be negotiated only if DHHS requests a change in Article 3, *Scope of Work*.

G. NHES shall submit to DHHS an accounting of the New Hire Reporting Program for each year. The accounting will be submitted on or before June 30th of each year. The accounting shall contain, at a minimum, a cost/benefit analysis of the program specifically addressing any impact on fraud detection, prevention, or enforcement within the Unemployment Compensation Program.

H. As a result of the accounting pursuant to Article 6, paragraph G of this Agreement, or, if the Department of Labor, or any other entity authorized by law, requests and receives New Hire information reports or New Hire information files, the costs of receiving such information will be equitably prorated and this Agreement shall be adjusted and modified accordingly.

ARTICLE 7

ADDITIONAL TERMS

A. On and after the effective date of this Agreement, with the exception of documents required to be retained by NHES for federal and state audit purposes, all property received from DHHS and all information and things developed or obtained during the performance of, or acquired or developed by reason of this Agreement, including, but not limited to, all files, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, whether finished or unfinished, which has been purchased with funds provided for that purpose or developed under this Agreement shall become the property of DHHS, and shall be returned to DHHS upon demand or upon termination of this Agreement for any reason. If such return of property is not practical, DHHS shall be reimbursed accordingly.

B. Unless otherwise agreed in writing, NHES shall keep and maintain New Hire records and memoranda for not less than three (3) years after the expiration of the contract period. At any time after three (3) years or other agreed-to time period, NHES may dispose of such data in a manner it deems appropriate assuring that confidentiality is maintained.

C. This Agreement constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings related hereto.

ARTICLE 8

LIAISON AND NOTICE

A. To facilitate the performance of this Agreement, the following positions are designated as a liaison between NHES and DHHS:

NHES
Jill Revels
Business Administrator IV
New Hampshire Department of Employment Security
Telephone: (603) 229-4449
45 South Fruit Street
Concord, NH 03301

New Hampshire Department of Employment Security
MOU-2020-DEHS-02-NEWHI

or

Colleen O'Neill/ISO
Assistant to the Commissioner
New Hampshire Department of Employment Security
Telephone: (603) 228-4073
45 South Fruit Street
Concord, NH 03301

or

Michael H. Burke
Director of Unemployment Compensation Bureau
New Hampshire Department of Employment Security
Telephone: (603) 228-4031
45 South Fruit Street
Concord, NH 03301
Michael.H.Burke@nhes.nh.gov

DHHS

Sarah Chappelow
Program Specialist IV
Department of Health and Human Services
Division of Economic and Housing Stability
Telephone: (603) 223-4819
129 Pleasant Street
Concord, NH 03301

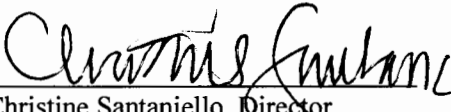
B. All notices and other communication from NHES to DHHS shall be addressed and sent to:

Sarah Chappelow
Program Specialist IV
Department of Health and Human Services
Division of Economic and Housing Stability
129 Pleasant Street
Concord, NH 03301

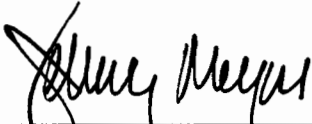
C. All invoices from NHES to DHHS shall be addressed and sent to:

Michael Bradley
Administrator III
Department of Health and Human Services
Human Services, Finance
129 Pleasant Street
Concord, NH 03301

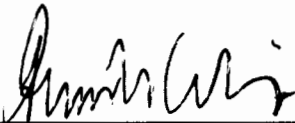
IN WITNESS WHEREOF, the New Hampshire Department of Health and Human Services, Division of Economic and Housing Stability, by its Director and Commissioner, and the New Hampshire Department of Employment Security, by its Commissioner, acting in their official capacity, have hereunto set their hands to this document on the day and year written below.


Christine Santaniello, Director
Division of Economic and Housing Stability

5/28/19
Date


Jeffrey A. Meyers, Commissioner
New Hampshire Department of
Health and Human Services

5/28/19
Date

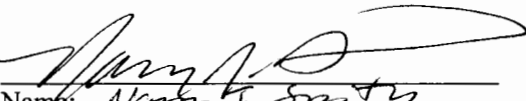

George N. Copadis, Commissioner
New Hampshire Department of
Employment Security

5/27/19
Date

The preceding Memorandum of Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

5/31/2019
Date


Name: Nancy B. Smith
Title: Sr. Asst. Atty General

I hereby certify that the foregoing Memorandum of Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting).

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title

New Hire
Budget Estimate
Fiscal Years 2020 and 2021

	SFY 2017 ACTUAL	SFY 2018 ACTUAL	AVERAGE MONTHLY	SFY 2020: BUDGET: ESTIMATE:	SFY 2021 BUDGET ESTIMATE
PERSONAL SERVICE/SALARIES	71,239	42,245	4,728	61,699	65,136
FRINGE BENEFITS	40,048	23,935	2,666	37,044	39,108
NON PERSONAL SERVICES	41,218	33,469	3,112	43,447	45,867
TOTALS	152,506	99,649	10,506	142,191	150,111
ANNUALIZED TOTALS			126,077		
		125,000		145,000	153,000
		Budgeted		Want to budget	

FACTORS INFLUENCING BUDGET FOR SFY 2020 / 2021:

1. SALARY RAISES 1.5% EFF 6/8/18 & 1/4/19
2. INCREMENTAL SALARY (STEP) INCREASES 3.5%
3. INCREASES IN HEALTH/DENTAL RATES
4. POTENTIAL COST INCREASES FOR WORKLOAD INCREASES
5. POTENTIAL SALARY RAISES 2.0% SFY 20, 2.0% SFY 21

56,742	Average FY20
1,702	Pay raises of 1.5% SFY 19 EFF 6/8/18 & 1/4/19
2,046	FY 20 Projected increments 3.5%
1,210	FY 20 Projected Raise of 2%
<u>61,699</u>	FY 20 Estimated annual salaries
2,159	FY 21 increase rate of 3.5% for increments
1,277	FY 21 Projected Raise of 2%
<u>65,136</u>	FY 21 Estimated annual salaries

MEMORANDUM OF AGREEMENT (MOU-2020-DEHS-03-CHILD)
BETWEEN
NEW HAMPSHIRE DEPARTMENT OF EMPLOYMENT SECURITY
And
NEW HAMPSHIRE DEPARTMENT OF HEALTH AND HUMAN SERVICES,
DIVISION OF ECONOMIC AND HOUSING STABILITY

UNEMPLOYMENT COMPENSATION INTERCEPT/PARENT LOCATE

THIS AGREEMENT, entered into by and between the New Hampshire Department of Employment Security (NHES) and the New Hampshire Department of Health and Human Services (DHHS), Division of Economic and Housing Stability (DEHS), is for the purposes of:

1. Locating child support obligors through identification of the location of their employment and/or residence; and,
2. Implementing the provisions of 42 U.S.C. §503(e) and N.H. RSA 282-A:159, II with regard to child support obligations.

ARTICLE I

DEFINITIONS

For the purpose of this Agreement:

- A. The acronym DHHS refers to the New Hampshire Department of Health and Human Services, Division of Economic and Housing Stability.
- B. The acronym NHES refers to the New Hampshire Department of Employment Security.
- C. The terms “Disclose” and “Disclosure” mean the release of information or data, with or without the consent of the individuals to whom the information pertains.
- D. The terms “Unemployment Compensation” or “UC” are defined as benefits payable under RSA 282-A and those paid by NHES under agreement with the U.S. Department of Labor, including Extended Benefits, Unemployment Compensation for Federal Employees, Unemployment Compensation for Ex-Servicemen, Trade Readjustment Allowance, Disaster Unemployment Assistance, and the Redwoods National Park Expansion Act.
- E. The terms “Unemployment Compensation Data” or “UC Data” mean information pertaining to benefits paid under the State Unemployment Compensation (UC) Program or any Federal Unemployment Compensation Program administered by NHES for the Federal government.
- F. The term “Current Benefit Year File” means the available record of UC benefits paid in the existing Benefit Year which means the one year period beginning with the first day of the week in which an individual files an initial claim for benefits and meets the earning requirements of RSA 282-A:25 or as modified under RSA 282-A:4.

- G. The term “Prior Benefit Year File” means the available record of UC benefits paid in the Benefit Year immediately preceding the current Benefit Year.
- H. The term “wage data” means the available record of wages paid to employees and reported to NHES quarterly, as required by State law and Section 1137 of the Social Security Act.
- I. The term “current year wage file” refers to the available wage data reported for the existing calendar year to date, once available for cross-match.
- J. The term “prior year wage file” refers to available wage data reported for the calendar year immediately preceding the current calendar year.
- K. The term “employer file” refers to the available database maintained by NHES on all current and former employing units subject to wage reporting in the state of New Hampshire.
- L. The acronym “NHF” refers to New Hampshire First state financial system.

ARTICLE II

AUTHORITY AND PURPOSE

- A. This Agreement is entered into under the authority of 42 U.S.C. 503, N.H. RSA 282-A:112, RSA 282-A:159, II, RSA 161:2,XIV, XVI and RSA 458-B:4.
- B. The purpose of this Agreement is to establish conditions, procedures and safeguards for:
 - 1. The disclosure of wage, employer and UC data by NHES;
 - 2. Providing DHHS with parent locator information in the possession of NHES;
 - 3. Providing for the withholding of child support from UC benefits.

The terms of this agreement will be accomplished by means of automated cross-matches, or individual inquiries, between DHHS inquiry data and NHES computerized wage, employer, and UC data files. This information is available from no other source and will assist DHHS in the location of child support delinquent obligors.

ARTICLE III

UNEMPLOYMENT COMPENSATION INTERCEPT FOR CHILD SUPPORT SERVICES

Subject to the following terms and conditions, NHES shall withhold part or all of the Unemployment Compensation (UC), otherwise payable to an Unemployment Compensation claimant, for payment to DHHS as the State Agency charged with the collection of child support pursuant to N.H. RSA 161:2, XIV.

TERMS AND CONDITIONS OF THE AGREEMENT

- A. UC benefits will be withheld only for the purpose of child support. UC benefits will not be withheld for spousal support or any other purpose unless specifically authorized by federal and/or state statute and applicable regulations governing UC benefits.

UC benefits will be withheld only if a claimant

1. Has signed an agreement with DHHS to make payments through that agency; or
2. Is under a court order to make payments to DHHS by any state court recognized in New Hampshire by appropriate process, and enforceable by DHHS, ordering child support payments be paid to, or through, DHHS by wage assignment.

B. NHES will withhold UC benefits only in a whole dollar amount per week.

C. If the amount payable to a claimant for any weeks is reduced by earnings, or other deductions having precedence to an amount less than the amount to be withheld, NHES will withhold the entire payable amount. Benefits shall not be withheld in subsequent weeks to make up any shortage resulting from a previous week of reduced benefit withholding.

E. No benefits will be withheld until any outstanding benefit overpayment is recovered by NHES (RSA 282-A:165, IV). If a claimant is found overpaid for a week in which benefits were withheld for child support, the claimant will be liable for repayment of the full benefit amount to NHES.

F. Benefits affected by this agreement will be withheld only after DHHS has notified NHES of a claimant's ongoing obligation of child support. NHES shall then send a Notice of Child Support Withholding to the claimant. Benefits shall not be withheld for weeks prior to the week the Notice of Child Support Withholding has been sent by NHES.

G. Once initiated, UC benefits will be withheld for child support until NHES is notified by DHHS to cease. DHHS will notify NHES within seven (7) days of a claimant's withdrawal of an agreement or the expiration or termination of a court order for support payable through DHHS. NHES will cease withholding benefits as soon as possible after receipt of the notice from DHHS unless the claimant requests that withholding of payments be continued.

H. NHES shall be held harmless for all actions taken as a result of this Agreement based on accuracy of information provided by DHHS. DHHS shall be responsible for payment to the claimant of any moneys wrongfully withheld and paid to DHHS as a result of a DHHS error or inadvertence or DHHS' failure to notify NHES as required in Paragraph G above.

I. DHHS will provide NHES with a Form DCSS 662, Unemployment Compensation Benefits Intercept Notice, or its equivalent, for each individual from whom UC benefits are to be withheld. The Form 662 shall contain at a minimum, the individual's:

1. Full name;
2. Last four (4) digits only of Social Security Number;
3. Date of Birth; and
4. The amount of weekly child support in whole dollars.

Form DCSS 662 shall certify the accuracy of the information and be emailed by an authorized representative of DHHS.

J. DHHS shall provide NHES with the court order authorizing the withholding, or a signed copy of the individual's authorization, including the amount to be withheld. The copy of the court order or, authorization to withhold, shall be provided concurrently with the notice in Paragraph I, above.

- K. NHES will provide the claimant or DHHS with a record of moneys withheld by NHES, if one is requested.
- L. NHES will notify DHHS within seven (7) days if it is initially unable to withhold child support money from a claimant.
- M. NHES shall transfer all moneys withheld to DHHS on a daily basis, the transfer to be completed within seven (7) calendar days following the end of the week in which benefits are paid.
- N. NHES shall not accept any appeals for the withholding of benefits for child support. NHES shall advise the claimant to contact DHHS regarding the withholding of benefits for child support.
- O. NHES will notify DHHS thirty (30) days prior to the date of any scheduled systems data purge. Twenty-five (25) days prior to the purge, NHES will provide DHHS with a printed report of all DHHS cases identified by NHES as subject to purge. Ten (10) days prior to the purge date, DHHS shall provide NHES with a list of cases that continue to be active. All cases so identified will thereafter be treated by NHES in the same manner as non-purged DHHS cases and charged accordingly.

ARTICLE IV

PARENT LOCATOR CROSSMATCH PROCEDURES

- A. DHHS will provide NHES with an electronic file containing Social Security Numbers (SSNs) extracted from their system files. These electronic files will be provided as needed. Each electronic finder file will adhere to the required format.
- B. NHES will match the finder file with the current and prior benefit year files if necessary, and provide a reply file to DHHS containing the UC data for all individual SSNs found on both the finder and benefit year files. The reply file will adhere to the required format.
- C. NHES will match the electronic finder file with the current and prior year wage files if necessary, match hits with the employer file, and provide an electronic file reply to DHHS containing wage and employer data for all individual SSNs found on both the finder and wage files. The reply file will contain wage data for the first four (4) of the last five (5) complete quarters preceding the date the wage files are queried. The reply file will adhere to the required format.
- D. DHHS will provide electronic files to NHES monthly, on the first Thursday of each month. If the first Thursday falls on a State holiday, the electronic files will instead be provided to NHES on the preceding business day.
- E. Files provided under the provisions of this Agreement will remain the property of the providing agency.
- F. NHES is not the originator of the wage data provided to DHHS and cannot attest to the accuracy of that data. DHHS, as part of its verification process, shall ensure the wage data provided by NHES pertains to the applicant for, or recipient of, benefits by contacting the employers involved to confirm the data.

ARTICLE V

CONFIDENTIALITY

A. DHHS and NHES shall adopt policies and procedures to ensure that information contained in their respective records and obtained from each other, or from others in carrying out their functions under this Agreement, shall be used solely for purposes under Title IV-D of the Social Security Act, 42 U.S.C. 503 et seq., regulations promulgated thereunder and N.H. RSA 282-A:118, et seq.

B. It is agreed:

1. To restrict access to the data to only those authorized employees and officials who need it to perform their official duties in connection with the intended uses within the confines of this Agreement.
2. To store the data in an area that is physically safe from access by unauthorized persons during duty hours as well as non-duty hours or when not in use.
3. To process and store the data under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the data and in such a way that unauthorized persons cannot access or retrieve the data by means of computer, remote terminal, or any other means.
4. DHHS and NHES will neither disclose to any individual or organization nor duplicate any information received pursuant to this Agreement except as permitted by 42 U.S.C. 503 et seq. and regulations promulgated thereunder; 5 U.S.C. 552, 5 U.S.C. 552a, notes, rules and regulations promulgated thereunder; 45 CFR 307.13, N.H. RSA 161:B-7, N.H. RSA 282-A: 118, 119, 121, 125, RSA 282-A:159 and RSA 91-A. NHES shall be advised by DHHS prior to any such disclosure or duplication and must agree in writing to any duplication or disclosure.
5. DHHS will retain the identifiable UC and wage data received from NHES only for the period of time required for any processing related to the matching program and will then destroy the records unless the identifiable data must be retained in the individual files to meet evidentiary requirements. In that event, DHHS will destroy the data in accordance with the Federal Records Retention Schedule. DHHS shall not create a separate file or system that consists of information concerning only those individuals who are involved in the specific matching program.
6. If NHES and/or DHHS should maintain any confidential information on its systems, NHES and DHHS will maintain a documented process for securely disposing of such data upon request or termination of the agreement; and will obtain written certification for any NHES or DHHS data destroyed by NHES or DHHS as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, any electronic media that may contain NHES or DHHS data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion, or otherwise physically destroying the media (for example, degaussing). NHES and DHHS will document and certify in writing at time of the data destruction, and will provide written certification to the NHES and DHHS ISO upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by DHHS and NHES prior to destruction.

7. To advise all personnel who will have access to the data of its confidential nature, the safeguards required to protect it and the civil and criminal sanctions for non-compliance contained in the applicable Federal and State statutes.
8. To permit NHES and DHHS to make onsite inspections of each other's facilities to ensure that adequate safeguards are being maintained and the requirements of this Agreement are being met.
9. DHHS and NHES will, within thirty (30) days of the effective date of this Agreement and before any information is exchanged, provide to each other a statement attesting that all personnel having access to information provided by NHES and DHHS have been advised of the confidentiality requirements of this Agreement.
10. DHHS shall, prior to any exchange of information, provide NHES a list of all officials and employees, by position, who will have the authority to request, receive, and obtain information from NHES and shall update NHES' list annually.
11. DHHS shall report to NHES and NHES shall report to DHHS, promptly and fully, any suspected or actual violation of the confidentiality requirements of this Agreement.

ARTICLE VI

COST/REIMBURSEMENT

A. DHHS will reimburse NHES for all its costs incurred in the performance of this Agreement including any costs incurred to modify existing computer programs. Costs incurred under Article III of this Agreement will be documented by NHES cost accounting system and billed to DHHS on a monthly basis. The preceding costs shall be paid by DHHS regardless of whether the withholding is voluntary or court ordered. These costs are guaranteed for the term of the Agreement, July 1, 2019 through June 30, 2021. Any cost change shall be negotiated only if DHHS requests a change in the Terms and Conditions of the Agreement. DHHS acknowledges that an unanticipated change in computer systems, in method of payment of benefits, etc., would be a legitimate reason to discuss those cost structure items affected by such an increase. NHES shall notify DHHS as part of the billing process whenever it appears billing charges may exceed the advance. DHHS shall immediately supplement the advance to cover the estimated deficit. DHHS remains ultimately responsible for insuring sufficient advances are maintained to NHES.

B. The schedule of costs for Articles III and IV is as follows:

1. Unemployment Compensation Intercept implementation costs summary format and job-costing schedule are listed on *Attachment #1*, attached hereto and incorporated by reference herein.
2. Parent locator inquiry cost summary format and job-costing schedule are listed on *Attachment #2*, attached hereto and incorporated by reference herein.

C. The estimated annual cost of this service related to Unemployment Compensation Intercept for the period July 1, 2019 through June 30, 2020 is \$13,000 and for the period July 1, 2020 through June 30, 2021 is \$13,000. The estimated annual cost of service to provide parent locator information for the period July 1, 2019 through June 30, 2020 is \$3,000 and for the period July 1, 2020 through June 30, 2021 is \$3,000.

D. NHES shall submit invoices for all incurred costs to DHHS on a monthly basis. All invoices shall be submitted to DHHS within thirty (30) business days of the end of the calendar month and shall contain sufficient detail to satisfy federal and state audit requirements. DHHS shall review each invoice for accuracy and shall reimburse NHES for its verified costs ten (10) days after receipt of a correct invoice submitted to DHHS.

ARTICLE VII

DURATION, TERMINATION AND ADDITIONAL TERMS

A. This Agreement will commence on July 1, 2019, or upon Governor and Executive Council approval, whichever is later, through June 30, 2021 and shall continue thereafter year to year at the mutual agreement of both parties subject to available funds appropriated through the legislative biennial budget process and/or through subsequent Governor and Council action.

B. Either party may terminate this Agreement by providing thirty (30) days written notice to the other party.

C. In the event changes in either State or Federal law or regulations occur which render performance hereunder illegal, void, impracticable, or impossible, this Agreement will terminate immediately. DHHS will reimburse NHES for all costs incurred under this Agreement within thirty (30) days of such termination.

D. This Agreement may be modified in writing at any time by mutual consent of both NHES and DHHS and Governor and Executive Council approval if funds are added to increase the scope of service

ARTICLE VIII

LIAISON

A. To facilitate the performance of this Agreement, the following positions are designated as liaison between NHES and DHHS:

Colleen O'Neill
Assistant to the Commissioner/ISO
New Hampshire Department of Employment Security
45 South Fruit Street
Concord, NH 03301
Telephone: (603) 228-4073

-Or-

Jill Revels
Business Administrator IV
New Hampshire Department of Employment Security
45 South Fruit Street
Concord, NH 03301
Telephone: (603) 229-4449

-Or-

Michael H. Burke
Director of Unemployment Compensation Bureau
New Hampshire Department of Employment Security
45 South Fruit Street
Concord, NH 03301
Telephone: (603) 228-4031
Michael.H.Burke@nhes.nh.gov

And

Sarah Chappelow
Program Specialist IV
Division of Economic and Housing Stability
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301
Telephone: (603) 223-4819

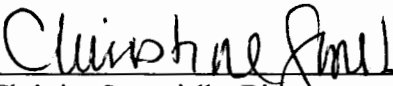
B. All notices and other communication from NHES to DHHS, in regards to this agreement, shall be addressed and sent to:

Sarah Chappelow
Program Specialist IV
Division of Economic and Housing Stability
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

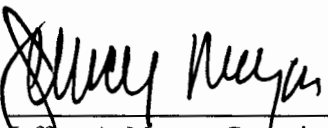
C. All invoices from NHES to DHHS shall be addressed and sent to:

Michael Bradley
Administrator III
Department of Health and Human Services
Human Services, Finance
129 Pleasant Street
Concord, NH 03301

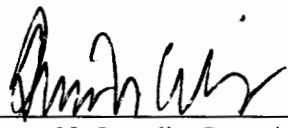
IN WITNESS WHEREOF, the New Hampshire Department of Health and Human Services, Division of Economic and Housing Stability, by its Director and Commissioner; and the New Hampshire Department of Employment Security, by its Commissioner, acting in their official capacity, have hereunto set their hands to this document on the day and year written below.


Christine Santaniello, Director
Division of Economic and Housing Stability

5/28/19
Date


Jeffrey A. Meyers, Commissioner
New Hampshire Department of
Health and Human Services

5/28/19
Date

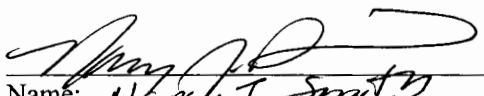

George N. Copadis, Commissioner
New Hampshire Department of
Employment Security

5/28/19
Date

The preceding Memorandum of Agreement, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

5/30/2019
Date


Name: Nancy J. Smith
Title: Sr. Asst. Atty General

I hereby certify that the foregoing Memorandum of Agreement was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting).

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Child Support Intercept
Budget Estimate
Fiscal Years 2020 and 2021

MONTH/ YEAR	SFY 17 Actual	SFY 18 Actual	Higher of the Last 2 SFY	Estimated	Estimated	Estimated
			Actual	SFY 19 3.5% Increments Effective 6/8/18 & 1/4/19 1.5% Raise Each	SFY 20 3.5% Increments	SFY 21 3.5% Increments
July	917	660	917	946	971	997
August	859	715	859	886	910	934
September	810	671	810	836	858	880
October	800	780	800	825	847	869
November	756	691	756	780	800	821
December	889	796	889	917	941	966
January	1,091	980	1,091	1,125	1,155	1,186
February	953	929	953	983	1,009	1,036
March	949	935	949	979	1,005	1,032
April	901	840	901	929	954	979
May	808	731	808	833	855	878
June	769	646	769	793	814	836
Totals	10,504	9,375	10,504	10,832	11,119	11,413
					13,000	13,000
					Want to budget	

Footnotes: SFY 19 raise are actual percentages
Utilized Higher Invoice Monthly Cost SFY 17 and 18
Accounted for 3.5% increments estimate
Estimated 2% raise each year
Only Applied Increments and Raises to the PS % of total monthly bill.

8/16/2018 9:00

Parent Locator Budget Estimate
Fiscal Years 2020 and 2021

SFY 20 EST	# OF WKS	Records		Process Cost
		D124	D126	
Jul-19	4	3,525	66,501	\$ 148.85
Aug-19	5	4,244	67,136	\$ 186.06
Sep-19	4	3,419	84,140	\$ 148.85
Oct-19	4	3,510	67,257	\$ 148.85
Nov-19	4	3,447	50,629	\$ 148.85
Dec-19	4	3,967	84,574	\$ 148.85
Jan-20	5	4,242	67,555	\$ 186.06
Feb-20	4	3,057	67,524	\$ 148.85
Mar-20	4	3,546	84,711	\$ 148.85
Apr-20	4	3,382	67,969	\$ 148.85
May-20	5	4,127	68,283	\$ 186.06
Jun-20	4	3,274	85,674	\$ 148.85
	51	43,740	861,951	\$ 1,897.78
Average per month Transactions per Second	4	3,645	71,829	\$ 158.15
		14.79	25.35	
Transaction Process Time (in seconds) (Total Records divided by Trans per second)		2,957	34,002	
Total Process Time		36,959		
Transaction Process Cost (Total Process time x \$0.02)				\$ 739.18
Total Charge				\$ 2,636.96
				WANT TO BUDGET \$ 3,000.00

SFY 21 EST	# OF WKS	Records		Process Cost
		D124	D126	
Jul-20	5	3,525	66,501	\$ 191.26
Aug-20	4	4,244	67,136	\$ 153.00
Sep-20	4	3,419	84,140	\$ 153.00
Oct-20	5	3,510	67,257	\$ 191.26
Nov-20	3	3,447	50,629	\$ 114.75
Dec-20	4	3,967	84,574	\$ 153.00
Jan-21	5	4,242	67,555	\$ 191.26
Feb-21	4	3,057	67,524	\$ 153.00
Mar-21	4	3,546	84,711	\$ 153.00
Apr-21	5	3,382	67,969	\$ 191.26
May-21	4	4,127	68,283	\$ 153.00
Jun-21	4	3,274	85,674	\$ 153.00
	51	43,740	861,951	\$ 1,950.81
Average per month Transactions per Second	4	3,645	71,829	\$ 162.57
		14.79	25.35	
Transaction Process Time (in seconds) (Total Records divided by Trans per second)		2,957	34,002	
Total Process Time		36,959		
Transaction Process Cost (Total Process time x \$0.02)				\$ 739.18
Total Charge				\$ 2,689.99
				WANT TO BUDGET \$ 3,000.00

Notes:

1. FY 2020 and 2021 is based on D124 records for SFY 14 as the testing is still ongoing for these (SFY 14 most accurate complete year).
2. FY 2020 and 2021 is based on an average of of D126 records for SFY 17 & SFY 18 average.
3. Incremental Salary (Step) Increases 3.5%
4. Included an estimated 2% raise for each fiscal year
5. Only applied increments and raises to the PS % of total processing charge