

ATTORNEY GENERAL  
DEPARTMENT OF JUSTICE

33 CAPITOL STREET  
CONCORD, NEW HAMPSHIRE 03301-6397

JOSEPH A. FOSTER  
ATTORNEY GENERAL



ANN M. RICE  
DEPUTY ATTORNEY GENERAL

38  
FIS 14 027 *Handwritten initials*

February 12, 2014

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

*[Signature]*  
Approved by Fiscal Committee      3/21/14  
Date

Her Excellency Governor Margaret Wood Hassan  
And the Honorable Council  
State House  
Concord, NH 03301

REQUESTED ACTION

1. Pursuant to RSA 124:15, authorize the Department of Justice to create one new Paralegal II, Labor Grade 19, within class 059 (Full-Time Temporary) for the purpose of assisting attorneys and investigators in research, fact-finding, trial preparation and case management in matters involving Medicaid provider fraud, patient abuse and financial exploitation effective upon the approval of the Fiscal Committee and the Governor and Council through June 30, 2015. 75% Federal, 25% Other Agency Income.

2. Authorize the Department of Justice to accept and expend \$82,977 (\$62,232 from the US Department of Health and Human Services, Medicaid Fraud and \$20,745 from Medicaid Fraud – agency income) for the purpose of supporting the Paralegal II position outlined in paragraph one of this request, to be effective with the approval of Governor and Council through June 30, 2015. 75% Federal Funds, 25% Other Agency Income.

These funds are to be budgeted in account number 02-20-20-2005-2615, Department of Justice, Public Protection, Medicaid Fraud as follows:

Medicaid Fraud 02-20-20-2005-2615		FY 2014			FY 2015		
Class	Description	Current Budget	Requested Action	New Budget	Current Budget	Requested Action	New Budget
010-500100	Personal Services - Perm Clas	\$119,155	\$0	\$119,155	\$122,982	\$0	\$122,982
013-500132	Personal Services Unclassified	\$212,224	\$0	\$212,224	\$212,524	\$0	\$212,524
014-500134	Personal Services Unclassified	\$117,860	\$0	\$117,860	\$121,466	\$0	\$121,466
017-500147	FT Employees Special Payment	\$4,453	\$0	\$4,453	\$4,453	\$0	\$4,453
020-500200	Current Expense	\$2,000	\$500	\$2,500	\$2,000	\$500	\$2,500
022-500248	Rents-Leases Other than State	\$1,000	\$0	\$1,000	\$1,000	\$0	\$1,000
026-500251	Organizational Dues	\$5,000	\$0	\$5,000	\$5,000	\$0	\$5,000
027-502799	Transfers to DOIT	\$34,109	\$0	\$34,109	\$30,752	\$0	\$30,752
028-500292	Transfers to General Svcs.	\$6,279	\$0	\$6,279	\$6,875	\$0	\$6,875
030-500300	Equipment (New)	\$1,000	\$0	\$1,000	\$0	\$0	\$0
037-500168	Technology - Hardware	\$1,500	\$1,500	\$3,000	\$0	\$0	\$0
038-500178	Technology - Software	\$900	\$1,000	\$1,900	\$0	\$900	\$900
039-500187	Telecommunications	\$4,600	\$0	\$4,600	\$4,600	\$0	\$4,600
040-500800	Indirect Costs	\$61,034	\$0	\$61,034	\$62,089	\$0	\$62,089
041-500801	Audit Fund Set Aside	\$741	\$0	\$741	\$762	\$0	\$762
042-500620	Additional Fringe Benefits	\$41,504	\$0	\$41,504	\$42,355	\$0	\$42,355
057-500531	Books Periodicals Subscription	\$2,000	\$0	\$2,000	\$2,000	\$0	\$2,000
059-500117	Full Time Temp.	\$0	\$9,530	\$9,530	\$0	\$36,835	\$36,835
060-500611	Benefits	\$204,009	\$5,984	\$209,993	\$215,141	\$22,228	\$237,369
066-500543	Employee Training	\$750	\$0	\$750	\$750	\$0	\$750
070-500704	In-State Travel	\$5,500	\$0	\$5,500	\$6,000	\$0	\$6,000
080-500714	Out-Of-State Travel	<u>\$3,000</u>	<u>\$2,000</u>	<u>\$5,000</u>	<u>\$3,000</u>	<u>\$2,000</u>	<u>\$5,000</u>
	Total	\$828,618	\$20,514	\$849,132	\$843,749	\$62,463	\$906,212
<u>Revenue</u>							
000-404804	Federal	\$653,854	\$15,385	\$669,239	\$665,815	\$46,847	\$712,662
009-402325	Agency Income	\$0	\$5,129	\$5,129	\$0	\$15,616	\$15,616
General Fund		<u>\$174,764</u>	<u>\$0</u>	<u>\$174,764</u>	<u>\$177,934</u>	<u>\$0</u>	<u>\$177,934</u>
Total		\$828,618	\$20,514	\$849,132	\$843,749	\$62,463	\$906,212

### EXPLANATION

The Medicaid Fraud Control Unit (MFCU) of the Attorney General's Office has statewide jurisdiction to investigate and prosecute fraud committed by Medicaid providers and their employees. The MFCU also prosecutes the abuse, neglect and financial exploitation of residents in health care facilities. In addition to criminal prosecution, the MFCU pursues civil actions against Medicaid providers under the state False Claims Act and is active in joint state-federal civil *qui tam* actions.

The MFCU is currently staffed with seven positions consisting of three attorneys, two investigators, one analyst/auditor and one legal assistant (currently vacant). The MFCU has 41 open cases involving criminal and/or civil allegations of fraud/abuse/neglect, three of which are scheduled for trial and other complaints and referrals which are received weekly. It is expected that referrals of cases will grow as managed care is implemented by the Department of Health and Human Services. In addition, the MFCU is monitoring approximately 250 civil *qui tam* cases in which the State of New Hampshire is a named plaintiff. Many of the MFCU's cases are complex and involve voluminous financial and medical records.

The paralegal position being requested would be an essential member of the MFCU team and will provide full legal support for the attorneys and investigators by:

1. Enabling the attorneys to handle a larger case load;
2. Conducting legal research;
3. Drafting legal documents, including court pleadings and interrogatories;
4. Reviewing, maintaining, organizing and monitoring case files;
5. Ensuring that deadlines are met on a timely basis; and
6. Assisting in all phases of trial preparation and the discovery process.

The following is being requested in addition to the salary and benefits associated with the position (Class 59 and Class 60):

Class 020 – Current expense: Each year, funds for telephone and incidentals necessary for the position

Class 037 – Technology Hardware: Computer

Class 038 – Technology Software: To purchase Prolaw and other software licenses associated with the Department of Justice

Class 080 – Out of State Travel: Both years, to be used for trainings and meetings out of state that are required of the MFCU.

There are sufficient funds in the current budget in Class 040 – Indirect Costs, Class 041 – Audit Fund Set Aside and Class 042 – Post Retirement to support this request.

The following information is provided in accordance with the Comptrollers' instructional memorandum, dated September 21, 1981, related to the creation of positions/consultants:

1. List of personnel involved:  
Full time temporary Paralegal II position, (classified) Labor Grade 19.
2. Nature, need, duration:  
It is anticipated that this position will be needed through June 30, 2015, and will be requested in the FY 16-17 budget.

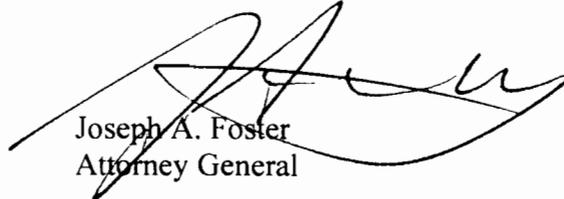
3. Relationship to existing programs:  
This position will become a part of the current MFCU.
4. Has a similar program been requested of the legislature and denied?  
No other similar program has been requested or denied.
5. Why wasn't funding included in the agency's budget?  
It was not anticipated that this position would be needed at the time the budget was being created.
6. Can portions of the grant funds be utilized?  
They can only be used as outlined.
7. Estimate the funds required to continue this position(s).  
The estimated total funds to continue this position are approximately \$65,000; which can be reimbursed by the Federal government at 75% (\$48,750).

In the event that these funds become unavailable, general funds will not be used to support this program.

Please let me know if you have any questions concerning this request.

Your consideration is greatly appreciated.

Respectfully submitted,



Joseph A. Foster  
Attorney General

JAF/k  
#999896

**Faretra, Rosemary**

---

**From:** Spring, Laurie [Laurie.Spring@nh.gov]  
**Sent:** Monday, January 06, 2014 3:12 PM  
**To:** Faretra, Rosemary  
**Subject:** Establish 9T, Position #9T2671

Good afternoon Rosemary,

We've received your request to establish a 9T position for Paralegal II, position number 9T2671.

The Classification analysts have approved the request, and we will process the NH First work unit #95117 once we've received a signed PPF from the DAS supervisor.

Thank you,

Laurie Spring  
Hr Assistant III  
Classification Section Rm 14  
Division of Personnel  
28 School Street  
Concord NH 03301  
Phone: 603-271-1424  
Fax: 603-271-1422

Fiscal Situation

Medicaid Fraud

02-20-20-2005-2615-009-402325 (Agency Income)

Current Balance - \$590,848

This Request - \$20,475

Balance - \$570,373