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Lori A. Shibinette
Commissioner

Lisa M. Morris
Director

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

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext. 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

March 16, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, to enter into a **Retroactive** amendment to an existing contract and to exercise a renewal option with Mary Hitchcock Memorial Hospital (Vendor #177160), One Medical Center Drive Lebanon, NH 03756, to provide injury prevention programming statewide, by increasing the price limitation by \$281,250 from \$217,000 to \$498,250 and by extending the completion date from March 31, 2020 to March 31, 2022, effective upon Governor and Executive Council approval. 47 % Federal Funds, 53% General Funds.

This agreement was originally approved by the Governor and Executive Council on March 21, 2018 (Item #15).

Funds are available in the following accounts for State Fiscal Years 2020 and 2021, and are anticipated to be available in State Fiscal Year 2022, with authority to adjust amounts within the price limitation and adjust encumbrances between state fiscal years through the Budget Office, if needed and justified!

05-95-90-902010-5190 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION HEALTH AND COMMUNITY SERVICES, MATERNAL – CHILD HEALTH

State Fiscal Year	Class/Account	Class Title	Job Number	Current Modified Budget	Increased (Decreased) Amount	Revised Modified Budget
2018	102-500731	Contracts for Prog Svc	90019001	\$23,125	\$0	\$23,125
2019	102-500731	Contracts for Prog Svc	90019001	\$92,500	\$0	\$92,500
2020	102-500731	Contracts for Prog Svc	90019001	\$69,375	\$23,125	\$92,500
2021	102-500731	Contracts for Prog Svc	90019001	\$0	\$92,500	\$92,500
2022	102-500731	Contracts for Prog Svc	90019001	\$0	\$69,375	\$69,375
			Subtotal	\$185,000	\$185,000	\$370,000

**05-95-90-902010-5896 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION HEALTH AND COMMUNITY
 SERVICES, ACA HOME VISITING**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increased (Decreased) Amount	Revised Modified Budget
2018	102-500731	Contracts for Prog Svc	90083200	\$2,750	\$0	\$2,750
2019	102-500731	Contracts for Prog Svc	90083200	\$11,000	\$0	\$11,000
2020	102-500731	Contracts for Prog Svc	90083200	\$8,250	\$0	\$8,250
2021	102-500731	Contracts for Prog Svc	90083200	\$0	\$0	\$0
2022	102-500731	Contracts for Prog Svc	90083200	\$0	\$0	\$0
			Subtotal	\$22,000	\$0	\$22,000

**05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: ELDERLY & ADULT SVCS DIV, GRANTS TO LOCALS, HEALTH PROMOTION CONTRACTS**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increased (Decreased) Amount	Revised Modified Budget
2018	102-500731	Contracts for Prog Svc	48108462	\$1,250	\$0	\$1,250
2019	102-500731	Contracts for Prog Svc	48108462	\$5,000	\$0	\$5,000
2020	102-500731	Contracts for Prog Svc	48108462	\$3,750	\$5,000	\$8,750
2021	102-500731	Contracts for Prog Svc	48108462	<u>\$0</u>	\$20,000	\$20,000
2022	102-500731	Contracts for Prog Svc	48108462	<u>\$0</u>	\$15,000	\$15,000
			Subtotal	\$10,000	\$40,000	\$50,000

**05-95-42-421010-2958 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
 HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD-FAMILY SERVICES**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increased (Decreased) Amount	Revised Modified Budget
2020	645-504004	SGGOTH SGF OTHER	42105891	\$0	\$30,000	\$30,000
2021	645-504004	SGGOTH SGF OTHER	42105891	\$0	\$15,000	\$15,000
2022	645-504004	SGGOTH SGF OTHER	42105891	\$0	\$11,250	\$11,250
			Subtotal	\$0	\$56,250	\$56,250
			Total	\$217,000	\$281,250	\$498,250

EXPLANATION

This request is **Retroactive** because more time was needed to negotiate and finalize the scope of the work prior to the vendor accepting the terms of the agreement.

The purpose of this request is to continue to ensure injury prevention programming is available, statewide. Services include, but are not limited to professional training and logistics for the New Hampshire Falls Risk Reduction Task Force; purchasing child-safety equipment for the home visiting programs; supports to teen driver education programs; and providing oversight for the Department's Injury Prevention Advisory Council.

The original agreement, included language in Exhibit C-1, Paragraph 3 allows the Department to renew the contract for up to 2 years, subject to the continued availability of funding, satisfactory performance of service, parties' written authorization and approval from the Governor and Executive Council. The Department is in agreement with renewing services for 2 of the 2 years at this time.

All of New Hampshire's residents benefit from the injury prevention work. For example, the Adolescent Driver Program will not only reduce injuries due to motor vehicle crashes in the teen population, but also protects drivers and passengers of all ages who may have been impacted by a teen driver. The Older Adult Falls Prevention program addresses New Hampshire residents age sixty-five (65) years and older to improve strength and physical stability to prevent deaths and injuries due to falls. The management of these essential activities is not duplicated by any other programs in the state. .

Mary Hitchcock Memorial Hospitals effectiveness in delivering services will be measured through monitoring of the following performance measures:

- Facilitation of one hundred percent (100%) of the statewide coalition in order to implement injury prevention programming.
- Implementation and evaluation of eight-five percent (85%) of the strategies and accompanying activities outlined in the "New Hampshire Violence and Injury Prevention Plan for Action 2015-2020"
- Development of a clear work plan for the overall activities related to this contract, monitored quarterly to ensure one hundred percent (100%) of deadlines are met.

Should the Governor and Executive Council not authorize this request, the essential injury prevention programming provided by the Injury Prevention Center under Mary Hitchcock Memorial Hospital will cease, which may lead to increased injuries, statewide.

Area served: Statewide

Source of Funds: 47% Federal Funds from Centers for Disease Control and Prevention, Health Resources and Services Administration, Title IID, Preventative Health and 53% General Funds

In the event that the Federal Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,

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Lori A. Shibbinittte
Commissioner

**New Hampshire Department of Health and Human Services
Injury Prevention Services**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Injury Prevention Services Contract**

This 1st Amendment to the Injury Prevention Services contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Mary Hitchcock Memorial Hospital, for itself and on behalf of Dartmouth-Hitchcock Clinic (collectively doing business as "Dartmouth-Hitchcock" and referred to herein as "D-H", also formerly known as Trustees of Dartmouth College) hereinafter referred to as "the Contractor"), a nonprofit with a place of business at One Medical Center Drive, Lebanon, New Hampshire 03756.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on March 21, 2018, (Item #15), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules or terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation; and

WHEREAS, all terms and conditions of the Contract not inconsistent with this Amendment #1 remain in full force and effect; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
March 31, 2022.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$498,250.
3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:
Nathan D. White, Director.
4. Form P-37, General Provisions, Block 1.10, State Agency Telephone Number, to read:
603-271-9631.
5. Exhibit A, Scope of Services, Section 2.10 to read as follows:
2.10 The contractor shall increase support and maintenance of marketing and outreach activities promoting the Falls Prevention Evidenced Based programs which may incorporate the Tia Ji Quan: Moving for Better Balance ® and Matter of Balance programs. The Contractor shall:

2.10.1. Increase Train the Trainers activities

2.10.2. Increase the number of session locations

2.10.3. Increase instructor capacity for facilitation of programs

2.10.4. Increase staff capacity to manage referrals to the programs

**New Hampshire Department of Health and Human Services
Injury Prevention Services**



2.10.5. Update and maintain the Falls Risk Reduction Task Force Website.

6. Exhibit B, Methods and Conditions Precedent to Payment, Section 3 to read as follows:

3. Funds to support this project are both Federal Funds and State of New Hampshire General Funds. The Federal Funds to support this project are identified as follows:

- 3.1. US Department of Health and Human Services, Centers for Disease Control and Prevention, Preventative Health and Human Services Block Grant, Catalog of Federal Domestic Assistance (CFDA)# 93.758, FAIN#B010T009098.
- 3.2. US Dept. of Health and Human Services, Human Resources & Services Administration (HRSA), Maternal, Infant and Early Childhood Home Visiting Program Grant, Catalog of Federal Domestic Assistance (CFDA)# 93.870, FAIN#X10MC29490.
- 3.3. US Department of Health and Human Services, Title IID, Preventative Health, Catalog of Federal Domestic Assistance (CFDA)# 93.043, FAIN#17AANHT3PH.
- 3.4. US Department of Health and Human Services, Centers for Disease Control and Prevention, Preventative Health and Human Services Block Grant, Catalog of Federal Domestic Assistance (CFDA)# 93.991, FAIN#NB01OT009285
- 3.5. US Department of Health and Human Services, Title IID, Preventative Health, Catalog of Federal Domestic Assistance (CFDA)# 93.043, FAIN#1901NHOAPH.
- 3.6. General funds

7. Add Exhibit B-4, Amendment # 1, incorporated by reference and attached herein.
8. Add Exhibit B-5, Amendment # 1, incorporated by reference and attached herein.
9. Add Exhibit B-6, Amendment # 1, incorporated by reference and attached herein.

LB

2/5/20



New Hampshire Department of Health and Human Services
Injury Prevention Services

This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/5/20

[Signature]

Date

Name: Lisa Morris
Title: Director

Mary Hitchcock Memorial Hospital

3/5/20

[Signature]

Date

Name: Leigh Burgess
Title: Vice President Research Operations

Acknowledgement of Contractor's signature:

State of New Hampshire, County of Grafton on 03/05/2020, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

[Signature]
Signature of Notary Publics, Justice of the Peace
My Commission Expires September 7, 2021

BETSY LYN WILLIAMS, Notary Public
My Commission Expires September 7, 2021

Name and Title of Notary or Justice of the Peace

My Commission Expires: _____

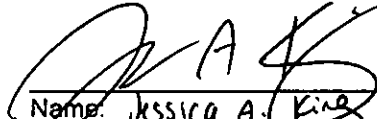
New Hampshire Department of Health and Human Services
Injury Prevention Services



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

OFFICE OF THE ATTORNEY GENERAL

3/13/2020
Date


Name: Jessica A. King
Title: Assistant Attorney General

I hereby certify that the foregoing Amendment 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:

Contractor name: Mary Hitchcock Memorial Hospital		New Hampshire Department of Health and Human Services								
Budget Request for: Injury Prevention Services										
Budget Period: April 1, 2020 - Jun 30, 2020										
Line Item	Total Program Cost			Contractor Share / Match:			Funded by DHHS contract share			
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total	
1. Total Salary/Wages	\$ 16,836.05	\$ 1,683.61	\$ 18,519.66	\$ -	\$ -	\$ -	\$ 16,836.05	\$ 1,683.61	\$ 18,519.66	
2. Employee Benefits	\$ 5,673.75	\$ 567.38	\$ 6,241.13	\$ -	\$ -	\$ -	\$ 5,673.75	\$ 567.38	\$ 6,241.13	
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4. Equipment:	\$ 21,400.00	\$ 2,140.00	\$ 23,540.00	\$ -	\$ -	\$ -	\$ 21,400.00	\$ 2,140.00	\$ 23,540.00	
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Office	\$ 400.00	\$ 40.00	\$ 440.00	\$ -	\$ -	\$ -	\$ 400.00	\$ 40.00	\$ 440.00	
6. Travel	\$ 322.02	\$ 32.20	\$ 354.22	\$ -	\$ -	\$ -	\$ 322.02	\$ 32.20	\$ 354.22	
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ 4,800.00	\$ 480.00	\$ 5,280.00	\$ -	\$ -	\$ -	\$ 4,800.00	\$ 480.00	\$ 5,280.00	
13. Other (Falls Prevention and Safety):	\$ 3,409.09	\$ 340.91	\$ 3,750.00	\$ -	\$ -	\$ -	\$ 3,409.09	\$ 340.91	\$ 3,750.00	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL	\$ 62,840.91	\$ 5,284.09	\$ 68,125.00	\$ -	\$ -	\$ -	\$ 62,840.91	\$ 5,284.09	\$ 68,125.00	

Indirect As A Percent of Direct 10.0%

Contractor Initials: *LA*
 Date: *3/5/20*

New Hampshire Department of Health and Human Services											
Contractor name: Mary Hitchcock Memorial Hospital											
Budget Request for: Injury Prevention Services											
Budget Period: July 1, 2020 - June 30, 2021											
Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share				
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total		
1. Total Salary/Wages	\$ 63,784.58	\$ 8,378.48	\$ 70,163.04	\$ -	\$ -	\$ -	\$ 63,784.58	\$ 8,378.48	\$ 70,163.04		
2. Employee Benefits	\$ 21,495.40	\$ 2,149.54	\$ 23,644.94	\$ -	\$ -	\$ -	\$ 21,495.40	\$ 2,149.54	\$ 23,644.94		
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
4. Equipment:	\$ 2,000.00	\$ 200.00	\$ 2,200.00	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 200.00	\$ 2,200.00		
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Office	\$ 188.75	\$ 18.88	\$ 207.63	\$ -	\$ -	\$ -	\$ 188.75	\$ 18.88	\$ 207.63		
6. Travel	\$ 2,000.00	\$ 200.00	\$ 2,200.00	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 200.00	\$ 2,200.00		
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Telephones	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
12. Subcontracts/Agreements	\$ 12,804.00	\$ 1,280.40	\$ 14,084.40	\$ -	\$ -	\$ -	\$ 12,804.00	\$ 1,280.40	\$ 14,084.40		
13. Other (Falls Prevention and Safety):	\$ 13,636.38	\$ 1,363.64	\$ 15,000.00	\$ -	\$ -	\$ -	\$ 13,636.38	\$ 1,363.64	\$ 15,000.00		
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
TOTAL	\$ 115,909.09	\$ 11,590.91	\$ 127,500.00	\$ -	\$ -	\$ -	\$ 115,909.09	\$ 11,590.91	\$ 127,500.00		

Indirect As A Percent of Direct 10.0%

Contractor Initials: *LB*
 Date: *3/5/20*

New Hampshire Department of Health and Human Services

Contractor name: Mary Hitchcock Memorial Hospital

Budget Request for: Injury Prevention Services

Budget Period: July 1, 2021 - March 31, 2022

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ 47,838.43	\$ 4,783.84	\$ 52,622.27	\$ -	\$ -	\$ -	\$ 47,838.43	\$ 4,783.84	\$ 52,622.27
2. Employee Benefits	\$ 16,121.55	\$ 1,612.16	\$ 17,733.71	\$ -	\$ -	\$ -	\$ 16,121.55	\$ 1,612.16	\$ 17,733.71
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment	\$ 1,442.00	\$ 144.20	\$ 1,586.20	\$ -	\$ -	\$ -	\$ 1,442.00	\$ 144.20	\$ 1,586.20
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 199.57	\$ 19.96	\$ 219.52
Office	\$ 199.57	\$ 19.96	\$ 219.52	\$ -	\$ -	\$ -	\$ 1,500.00	\$ 150.00	\$ 1,650.00
6. Travel	\$ 1,500.00	\$ 150.00	\$ 1,650.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,603.00	\$ 960.30	\$ 10,563.30
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ 9,603.00	\$ 960.30	\$ 10,563.30	\$ -	\$ -	\$ -	\$ 10,227.27	\$ 1,022.73	\$ 11,250.00
13. Other (Fall Prevention and Safety)	\$ 10,227.27	\$ 1,022.73	\$ 11,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 88,931.82	\$ 8,693.18	\$ 95,625.00	\$ -	\$ -	\$ -	\$ 86,931.82	\$ 8,693.18	\$ 95,625.00

Indirect As A Percent of Direct 10.0%

Contractor Initials: **LB**
Date: **4/5/20**

State of New Hampshire

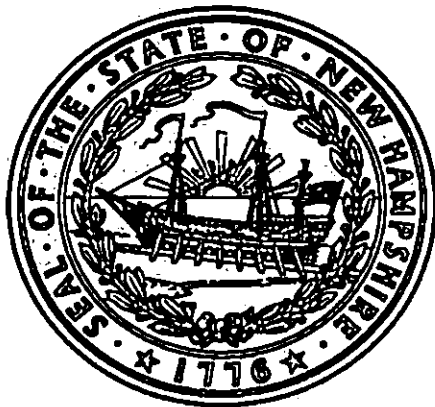
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MARY HITCHCOCK MEMORIAL HOSPITAL is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 07, 1889. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 68517

Certificate Number: 0004496386



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 15th day of April A.D. 2019.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State



Dartmouth-Hitchcock
 Dartmouth-Hitchcock Medical Center
 1 Medical Center Drive
 Lebanon, NH 03756
 Dartmouth-Hitchcock.org

CERTIFICATE OF VOTE/AUTHORITY

I, Charles G. Plimpton, of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital, do hereby certify that:

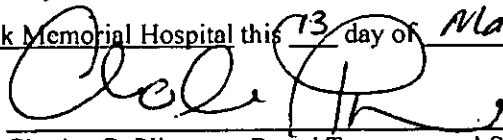
1. I am the duly elected Treasurer and Secretary of the Board of Trustees of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital;
2. The following is a true and accurate excerpt from the December 7th, 2012 Bylaws of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital:

ARTICLE I – Section A. Fiduciary Duty. Stewardship over Corporate Assets

“In exercising this [fiduciary] duty, the Board may, consistent with the Corporation’s Articles of Agreement and these Bylaws, delegate authority to the Board of Governors, Board Committees and various officers the right to give input with respect to issues and strategies, incur indebtedness, make expenditures, enter into contracts and agreements and take such other binding actions on behalf of the Corporation as may be necessary or desirable.”

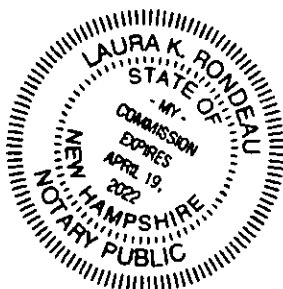
3. Article I – Section A, as referenced above, provides authority for the chief officers, including the Chief Executive Officer, the Chief Clinical Officer, and other officers, of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital to sign and deliver, either individually or collectively, on behalf of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital.
4. Edward J. Merrens, MD is the Chief Clinical Officer of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital and therefore has the authority to enter into contracts and agreements on behalf of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital.

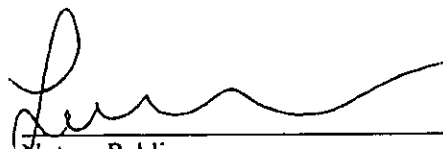
IN WITNESS WHEREOF, I have hereunto set my hand as the Treasurer and Secretary of the Board of Trustees of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital this 13 day of March, 2020.


 Charles G. Plimpton, Board Treasurer and Secretary

STATE OF NH
 COUNTY OF GRAFTON

The foregoing instrument was acknowledged before me this 13th day of March, 2020, by Charles G. Plimpton.




 Notary Public
 My Commission Expires: April 19, 2022



DELEGATION OF SIGNATURE AUTHORITY

RESEARCH CONTRACTS AND SPONSORED PROGRAM AGREEMENTS

The authority to sign contracts, grants, consortia, center, cooperative and other research and sponsored program agreements ("Contracts") on behalf of Mary Hitchcock Memorial Hospital and Dartmouth-Hitchcock Clinic (together, "Dartmouth-Hitchcock") is delegated by the Chief Executive Officer of Dartmouth-Hitchcock to the Executive Vice President of Research and Education (and, in her absence or unavailability, to another Chief Officer of Dartmouth-Hitchcock).

The authority to sign Contracts on behalf of Dartmouth-Hitchcock *which have a funding amount not to exceed \$3,000,000 and which have a term of less than five (5) years* is hereby sub-delegated by the Executive Vice President of Research and Education to the Vice President of Research Operations.

A Contract means an agreement between two or more persons that creates a legally binding obligation to do or not to do a particular thing. A Contract may be titled as an agreement, a memorandum of understanding, memorandum of agreement, a promise to pay, or may use other terminology. A Contract may or may not involve the payment of money.

Additional sub-delegation of signature authority may only be made upon written authorization of the Executive Vice President of Research and Education.

An individual with delegated/sub-delegated signature authority who signs a Contract on behalf of Dartmouth-Hitchcock has the responsibility to ensure that the Contract follows Dartmouth-Hitchcock policies, rules and guidelines and all applicable laws and regulations.

The effective date of this sub-delegation shall be the date executed by the Executive Vice President of Research and Education, as set forth below, and shall continue until revocation by the Executive Vice President of Research and Education.

A handwritten signature in cursive script, appearing to read "Susan A. Reeves", written over a horizontal line.

Susan A. Reeves, EdD, RN
Executive Vice President of Research and Education

Date: July 23, 2018



DARTHIT-01

ASTOBERT

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/18/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 1780862 HUB International New England 100 Central Street, Suite 201 Holliston, MA 01746	CONTACT NAME: Rita Durgin	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
E-MAIL ADDRESS: rita.durgin@hubinternational.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : Safety National Casualty Corporation		15105
INSURED Dartmouth-Hitchcock Health 1 Medical Center Dr. Lebanon, NH 03758	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJ <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED: RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> N/A If yes, describe under DESCRIPTION OF OPERATIONS below			AG4061049	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Evidence of Workers Compensation coverage for Dartmouth-Hitchcock Health

CERTIFICATE HOLDER NH DHHS 129 Pleasant Street Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

CERTIFICATE OF INSURANCE	DATE: 02/18/2020
---------------------------------	-------------------------

COMPANY AFFORDING COVERAGE
Hamden Assurance Risk Retention Group, Inc.
P.O. Box 1687
30 Main Street, Suite 330
Burlington, VT 05401

INSURED
Mary Hitchcock Memorial Hospital – DH-H
One Medical Center Drive
Lebanon, NH 03756
(603)653-6850

This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the policies below.

COVERAGES

The Policy listed below has been issued to the Named Insured above for the Policy Period notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued. The insurance afforded by the policy is subject to all the terms, exclusions and conditions of the policy. Limits shown may have been reduced by paid claims.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS									
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:5%;"></td> <td style="width:10%;">GENERAL LIABILITY</td> </tr> <tr> <td style="text-align: center;">X</td> <td style="text-align: center;">CLAIMS MADE</td> </tr> <tr> <td></td> <td style="text-align: center;">OCCURRENCE</td> </tr> <tr> <td colspan="2">OTHER</td> </tr> </table>		GENERAL LIABILITY	X	CLAIMS MADE		OCCURRENCE	OTHER		0002019-A	07/01/2019	07/01/2020	EACH OCCURRENCE	\$1,000,000
		GENERAL LIABILITY											
	X	CLAIMS MADE											
		OCCURRENCE											
	OTHER												
	DAMAGE TO RENTED PREMISES	\$100,000											
MEDICAL EXPENSES	N/A												
PERSONAL & ADV INJURY	\$1,000,000												
GENERAL AGGREGATE	\$2,000,000												
PRODUCTS-COMP/OP AGG	\$1,000,000												
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">PROFESSIONAL LIABILITY</td> </tr> <tr> <td style="text-align: center;">CLAIMS MADE</td> </tr> <tr> <td style="text-align: center;">OCCURENCE</td> </tr> <tr> <td colspan="2">OTHER</td> </tr> </table>	PROFESSIONAL LIABILITY		CLAIMS MADE	OCCURENCE	OTHER					EACH CLAIM			
	PROFESSIONAL LIABILITY												
	CLAIMS MADE												
OCCURENCE													
OTHER													
ANNUAL AGGREGATE													
OTHER													

DESCRIPTION OF OPERATIONS/ LOCATIONS/ VEHICLES/ SPECIAL ITEMS (LIMITS MAY BE SUBJECT TO RETENTIONS)

Certificate of Insurance issued as evidence of insurance for services provided as part of the DHHS Injury Prevention Program.

CERTIFICATE HOLDER

NH Dept of Health & Human Services
129 Pleasant Street
Concord, NH 03301

CANCELLATION
Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 DAYS written notice to the certificate holder named below, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

AUTHORIZED REPRESENTATIVES

Scott J. Monahan



Mission, Vision, & Values

Our Mission

We advance health through research, education, clinical practice, and community partnerships, providing each person the best care, in the right place, at the right time, every time.

Our Vision

Achieve the healthiest population possible, leading the transformation of health care in our region and setting the standard for our nation.

Values

- Respect
- Integrity
- Commitment
- Transparency
- Trust
- Teamwork
- Stewardship
- Community



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Dartmouth-Hitchcock Health and Subsidiaries

Report on Federal Awards in Accordance

With the Uniform Guidance

June 30, 2018

EIN #02-0222140

Dartmouth-Hitchcock Health and Subsidiaries
Index
June 30, 2018 and 2017

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Part I
Financial Statements and
Schedule of Expenditures of Federal Awards



Report of Independent Auditors

To the Board of Trustees of
Dartmouth-Hitchcock Health and subsidiaries

We have audited the accompanying consolidated financial statements of Dartmouth-Hitchcock Health and its subsidiaries (the "Health System"), which comprise the consolidated balance sheets as of June 30, 2018 and June 30, 2017, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended.

Management's Responsibility for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We did not audit the financial statements of Alice Peck Day Hospital, a subsidiary whose sole member is Dartmouth-Hitchcock Health, which statements reflect total assets of 2.8% of consolidated total assets at June 30, 2017 and total revenues of 3.3% of consolidated total revenue for the year then ended. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for Alice Peck Day Hospital, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The financial statements of Alice Peck Day Hospital were not audited in accordance with *Government Auditing Standards* in 2017.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to



fraud or error. In making those risk assessments, we consider internal control relevant to the Health System's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dartmouth-Hitchcock Health and its subsidiaries as of June 30, 2018 and June 30, 2017, and the results of their operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, changes in net assets and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, results of operations, changes in net assets and cash flows of the individual companies.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30,



2018 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2018 on our consideration of the Health System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2018. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health System's internal control over financial reporting and compliance

Priscilla House Cooper LLP

Boston, Massachusetts
November 7, 2018

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Balance Sheets
Years Ended June 30, 2018 and 2017

<i>(in thousands of dollars)</i>	2018	2017
Assets		
Current assets		
Cash and cash equivalents	\$ 200,169	\$ 68,498
Patient accounts receivable, net of estimated uncollectibles of \$132,228 and \$121,340 at June 30, 2018 and 2017 (Note 3)	219,228	237,260
Prepaid expenses and other current assets	97,502	89,203
Total current assets	<u>516,899</u>	<u>394,961</u>
Assets limited as to use (Notes 4 and 6)	706,124	662,323
Other investments for restricted activities (Notes 4 and 6)	130,896	124,529
Property, plant, and equipment, net (Note 5)	607,321	609,975
Other assets	108,785	97,120
Total assets	<u>\$ 2,070,025</u>	<u>\$ 1,888,908</u>
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt (Note 9)	\$ 3,464	\$ 18,357
Current portion of liability for pension and other postretirement plan benefits (Note 10)	3,311	3,220
Accounts payable and accrued expenses (Note 12)	95,753	89,160
Accrued compensation and related benefits	125,576	114,911
Estimated third-party settlements (Note 3)	41,141	27,433
Total current liabilities	<u>269,245</u>	<u>253,081</u>
Long-term debt, excluding current portion (Note 9)	752,975	616,403
Insurance deposits and related liabilities (Note 11)	55,516	50,960
Interest rate swaps (Notes 6 and 9)	-	20,916
Liability for pension and other postretirement plan benefits, excluding current portion (Note 10)	242,227	282,971
Other liabilities	88,127	90,548
Total liabilities	<u>1,408,090</u>	<u>1,314,879</u>
Commitments and contingencies (Notes 3, 5, 6, 9, and 12)		
Net assets		
Unrestricted (Note 8)	524,102	424,947
Temporarily restricted (Notes 7 and 8)	82,439	94,917
Permanently restricted (Notes 7 and 8)	55,394	54,165
Total net assets	<u>661,935</u>	<u>574,029</u>
Total liabilities and net assets	<u>\$ 2,070,025</u>	<u>\$ 1,888,908</u>

The accompanying notes are an integral part of these consolidated financial statements.

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Statements of Operations and Changes in Net Assets
Years Ended June 30, 2018 and 2017

<i>(in thousands of dollars)</i>	2018	2017
Unrestricted revenue and other support		
Net patient service revenue, net of contractual allowances and discounts	\$ 1,899,095	\$ 1,859,192
Provision for bad debts (Note 1 and 3)	<u>47,367</u>	<u>63,645</u>
Net patient service revenue less provision for bad debts	1,851,728	1,795,547
Contracted revenue (Note 2)	54,969	43,671
Other operating revenue (Note 2 and 4)	148,946	119,177
Net assets released from restrictions	<u>13,461</u>	<u>11,122</u>
Total unrestricted revenue and other support	<u>2,069,104</u>	<u>1,969,517</u>
Operating expenses		
Salaries	989,263	966,352
Employee benefits	229,683	244,855
Medical supplies and medications	340,031	306,080
Purchased services and other	291,372	289,805
Medicaid enhancement tax (Note 3)	67,692	65,069
Depreciation and amortization	84,778	84,562
Interest (Note 9)	<u>18,822</u>	<u>19,838</u>
Total operating expenses	<u>2,021,641</u>	<u>1,976,561</u>
Operating income (loss)	<u>47,463</u>	<u>(7,044)</u>
Non-operating gains (losses)		
Investment gains (Notes 4 and 9)	40,387	51,056
Other losses	(2,908)	(4,153)
Loss on early extinguishment of debt	(14,214)	-
Loss due to swap termination	(14,247)	-
Contribution revenue from acquisition	<u>-</u>	<u>20,215</u>
Total non-operating gains, net	<u>9,018</u>	<u>67,118</u>
Excess of revenue over expenses	<u>\$ 56,481</u>	<u>\$ 60,074</u>

The accompanying notes are an integral part of these consolidated financial statements.

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Statements of Operations and Changes in Net Assets
Years Ended June 30, 2018 and 2017

<i>(in thousands of dollars)</i>	2018	2017
Unrestricted net assets		
Excess of revenue over expenses	\$ 56,481	\$ 60,074
Net assets released from restrictions	16,313	1,839
Change in funded status of pension and other postretirement benefits (Note 10)	8,254	(1,587)
Other changes in net assets	(185)	(3,364)
Change in fair value of interest rate swaps (Note 9)	4,190	7,802
Change in interest rate swap effectiveness	14,102	-
Increase in unrestricted net assets	<u>99,155</u>	<u>64,764</u>
Temporarily restricted net assets		
Gifts, bequests, sponsored activities	13,050	26,592
Investment gains	2,964	1,677
Change in net unrealized gains on investments	1,282	3,775
Net assets released from restrictions	(29,774)	(12,961)
Contribution of temporarily restricted net assets from acquisition	-	103
(Decrease) increase in temporarily restricted net assets	<u>(12,478)</u>	<u>19,186</u>
Permanently restricted net assets		
Gifts and bequests	1,121	300
Investment gains in beneficial interest in trust	108	245
Contribution of permanently restricted net assets from acquisition	-	30
Increase in permanently restricted net assets	<u>1,229</u>	<u>575</u>
Change in net assets	87,906	84,525
Net assets		
Beginning of year	<u>574,029</u>	<u>489,504</u>
End of year	<u>\$ 661,935</u>	<u>\$ 574,029</u>

The accompanying notes are an integral part of these consolidated financial statements.

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Statements of Cash Flows
Years Ended June 30, 2018 and 2017

<i>(in thousands of dollars)</i>	2018	2017
Cash flows from operating activities		
Change in net assets	\$ 87,906	\$ 84,525
Adjustments to reconcile change in net assets to net cash provided by operating and non-operating activities		
Change in fair value of interest rate swaps	(4,897)	(8,001)
Provision for bad debt	47,367	63,845
Depreciation and amortization	84,947	84,711
Contribution revenue from acquisition	-	(20,348)
Change in funded status of pension and other postretirement benefits	(8,254)	1,587
(Gain) loss on disposal of fixed assets	(125)	1,703
Net realized gains and change in net unrealized gains on investments	(45,701)	(57,255)
Restricted contributions and investment earnings	(5,460)	(4,374)
Proceeds from sales of securities	1,531	809
Loss from debt defeasance	14,214	381
Changes in assets and liabilities		
— Patient accounts receivable, net	(29,335)	(35,811)
Prepaid expenses and other current assets	(8,299)	7,386
Other assets, net	(11,665)	(8,934)
Accounts payable and accrued expenses	19,893	(17,820)
Accrued compensation and related benefits	10,665	10,349
Estimated third-party settlements	13,708	7,783
Insurance deposits and related liabilities	4,556	(5,927)
Liability for pension and other postretirement benefits	(32,399)	8,935
Other liabilities	(2,421)	11,431
Net cash provided by operating and non-operating activities	<u>136,031</u>	<u>124,775</u>
Cash flows from investing activities		
Purchase of property, plant, and equipment	(77,598)	(77,361)
Proceeds from sale of property, plant, and equipment	-	1,087
Purchases of investments	(279,407)	(259,201)
Proceeds from maturities and sales of investments	273,409	276,934
Cash received through acquisition	-	3,584
Net cash used in investing activities	<u>(83,596)</u>	<u>(54,977)</u>
Cash flows from financing activities		
Proceeds from line of credit	50,000	65,000
Payments on line of credit	(50,000)	(101,550)
Repayment of long-term debt	(413,104)	(48,506)
Proceeds from issuance of debt	507,791	39,064
Repayment of interest rate swap	(16,019)	-
Payment of debt issuance costs	(4,892)	(274)
Restricted contributions and investment earnings	5,460	4,374
Net cash provided by (used in) financing activities	<u>79,236</u>	<u>(41,892)</u>
Increase in cash and cash equivalents	131,671	27,906
Cash and cash equivalents		
Beginning of year	<u>68,498</u>	<u>40,592</u>
End of year	<u>\$ 200,169</u>	<u>\$ 68,498</u>
Supplemental cash flow information		
Interest paid	\$ 18,029	\$ 23,407
Net assets acquired as part of acquisition, net of cash acquired	-	16,784
Non-cash proceeds from issuance of debt	137,281	-
Use of non-cash proceeds to refinance debt	(137,281)	-
Building construction in process financed by a third party	-	8,426
Construction in progress included in accounts payable and accrued expenses	1,569	14,669
Equipment acquired through issuance of capital lease obligations	17,670	-
Donated securities	1,531	809

The accompanying notes are an integral part of these consolidated financial statements.

Dartmouth-Hitchcock Health and Subsidiaries

Consolidated Notes to Financial Statements

June 30, 2018 and 2017

1. Organization and Community Benefit Commitments

Dartmouth-Hitchcock Health (D-HH) serves as the sole corporate member of the following entities: Dartmouth-Hitchcock Clinic and Subsidiaries (DHC), Mary Hitchcock Memorial Hospital and Subsidiaries (MHMH), (DHC and MHMH together are referred to as D-H), The New London Hospital Association and Subsidiaries (NLH), Windsor Hospital Corporation (d/b/a MT. Ascutney Hospital and Health Center) and Subsidiaries (MAHHC), Cheshire Medical Center and Subsidiaries (Cheshire), Alice Peck Day Memorial Hospital (APD), and the Visiting Nurse and Hospice of NH and VT and Subsidiaries (VNH). The "Health System" consists of D-HH, its affiliates and their subsidiaries.

The Health System currently operates one tertiary, one community and three acute care (critical access) hospitals in New Hampshire (NH) and Vermont (VT). One facility provides inpatient and outpatient rehabilitation medicine and long-term care. The Health System also operates multiple physician practices, a nursing home and a home health and hospice service. The Health System operates a graduate level program for health professions and is the principal teaching affiliate of the Geisel School of Medicine (Geisel), a component of Dartmouth College.

D-HH, MHMH, DHC, NLH, Cheshire, and APD are NH not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). MAHHC and VNH are VT not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the IRC.

Community Benefits

The mission of the Health System is to advance health through clinical practice and community partnerships, research and education, providing each person the best care, in the right place, at the right time, every time.

Consistent with this mission, the Health System provides high quality, cost effective, comprehensive, and integrated healthcare to individuals, families, and the communities it serves regardless of a patient's ability to pay. The Health System actively supports community-based healthcare and promotes the coordination of services among healthcare providers and social services organizations. In addition, the Health System also seeks to work collaboratively with other area healthcare providers to improve the health status of the region. As a component of an integrated academic medical center, the Health System provides significant support for academic and research programs.

The Health System files annual Community Benefits Reports with the State of NH which outlines the community and charitable benefits it provides. VT hospitals are not required by law to file a state community benefit report. The categories used in the Community Benefit Reports to summarize these benefits are as follows:

- *Community health services* include activities carried out to improve community health and could include community health education (such as lectures, programs, support groups, and materials that promote wellness and prevent illness), community-based clinical services (such as free clinics and health screenings), and healthcare support services (enrollment assistance in public programs, assistance in obtaining free or reduced costs medications, telephone information services, or transportation programs to enhance access to care, etc.).

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- *Subsidized health services* are services provided by the Health System, resulting in financial losses that meet the needs of the community and would not otherwise be available to participate unless the responsibility was assumed by the government.
- *Research support and other grants* represent costs in excess of awards for numerous health research and service initiatives awarded to the organizations within the Health System.
- *Community health-related initiatives* occur outside of the organization(s) through various financial contributions of cash, in-kind, and grants to local organizations.
- *Community-building activities* include cash, in-kind donations, and budgeted expenditures for the development of programs and partnerships intended to address social and economic determinants of health. Examples include physical improvements and housing, economic development, support system enhancements, environmental improvements, leadership development and training for community members, community health improvement advocacy, and workforce enhancement. Community benefit operations includes costs associated with staff dedicated to administering benefit programs, community health needs assessment costs, and other costs associated with community benefit planning and operations.
- *Charity care (financial assistance)* represents services provided to patients who cannot afford healthcare services due to inadequate financial resources which result from being uninsured or underinsured. For the years ended June 30, 2018 and 2017, the Health System provided financial assistance to patients in the amount of approximately \$39,446,000 and \$29,934,000, respectively, as measured by gross charges. The estimated cost of providing this care for the years ended June 30, 2018 and 2017 was approximately \$15,559,000 and \$12,173,000, respectively. The estimated costs of providing charity care services are determined applying a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of costs to charges is calculated using total expenses, less bad debt, divided by gross revenue.
- *Government-sponsored healthcare services* are provided to Medicaid and Medicare patients at reimbursement levels that are significantly below the cost of the care provided.
- *The uncompensated cost of care for Medicaid* patients reported in the unaudited Community Benefits Reports for 2017 was approximately \$126,867,000. The 2018 Community Benefits Reports are expected to be filed in February 2019.

The following table summarizes the value of the community benefit initiatives outlined in the Health System's most recently filed Community Benefit Reports for the year ended June 30, 2017:

(Unaudited, in thousands of dollars)

Government-sponsored healthcare services	\$ 287,845
Health professional education	33,197
Subsidized health services	30,447
Charity care	11,070
Community health services	6,829
Research	3,308
Community building activities	1,487
Financial contributions	1,417
Community benefit operations	913
Total community benefit value	\$ 376,513

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The Health System also provides a significant amount of uncompensated care to its patients that are reported as provision for bad debts, which is not included in the amounts reported above. During the years ended June 30, 2018 and 2017, the Health System reported a provision for bad debt expense of approximately \$47,367,000 and \$63,645,000, respectively.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and have been prepared consistent with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 954, *Healthcare Entities*, which addresses the accounting for healthcare entities. The net assets, revenue, expenses, and gains and losses of healthcare entities are classified based on the existence or absence of donor-imposed restrictions. Accordingly, unrestricted net assets are amounts not subject to donor-imposed stipulations and are available for operations. Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. All significant intercompany transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. The most significant areas that are affected by the use of estimates include the allowance for estimated uncollectible accounts and contractual allowances, valuation of certain investments, estimated third-party settlements, insurance reserves, and pension obligations. Actual results may differ from those estimates.

Excess of Revenue over Expenses

The consolidated statements of operations and changes in net assets include the excess of revenue over expenses. Operating revenues consist of those items attributable to the care of patients, including contributions and investment income on unrestricted investments, which are utilized to provide charity and other operational support. Peripheral activities, including unrestricted contribution income from acquisitions, loss on early extinguishment of debt, loss due to swap termination, realized gains/losses on sales of investment securities and changes in unrealized gains/losses in investments are reported as non-operating gains (losses).

Changes in unrestricted net assets which are excluded from the excess of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets), change in funded status of pension and other postretirement benefit plans, and the effective portion of the change in fair value of interest rate swaps.

Charity Care and Provision for Bad Debts

The Health System provides care to patients who meet certain criteria under their financial assistance policies without charge or at amounts less than their established rates. Because the Health System does not anticipate collection of amounts determined to qualify as charity care, they are not reported as revenue.

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The Health System grants credit without collateral to patients. Most are local residents and are insured under third-party arrangements. Additions to the allowance for uncollectible accounts are made by means of the provision for bad debts. Accounts written off as uncollectible are deducted from the allowance and subsequent recoveries are added. The amount of the provision for bad debts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in federal and state governmental healthcare coverage, and other collection indicators (Notes 1 and 3).

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and bad debt expense. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as estimates change or final settlements are determined (Note 3).

Contracted Revenue

The Health System has various Professional Service Agreements (PSAs), pursuant to which certain organizations purchase services of personnel employed by the Health System and also lease space and equipment. Revenue pursuant to these PSAs and certain facility and equipment leases and other professional service contracts have been classified as contracted revenue in the accompanying consolidated statements of operations and changes in net assets.

Other Revenue

The Health System recognizes other revenue which is not related to patient medical care but is central to the day-to-day operations of the Health System. This revenue includes retail pharmacy, joint operating agreements, grant revenue, cafeteria sales, meaningful use incentive payments and other support service revenue.

Cash Equivalents

Cash equivalents include investments in highly liquid investments with maturities of three months or less when purchased, excluding amounts where use is limited by internal designation or other arrangements under trust agreements or by donors.

Investments and Investment Income

Investments in equity securities with readily determinable fair values, mutual funds and pooled/commingled funds, and all investments in debt securities are considered to be trading securities reported at fair value with changes in fair value included in the excess of revenues over expenses. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (Note 6).

Investments in pooled/commingled investment funds, private equity funds and hedge funds that represent investments where the Health System owns shares or units of funds rather than the underlying securities in that fund are valued using the equity method of accounting with changes in value recorded in the excess of revenues over expenses. All investments, whether held at fair value or under the equity method of accounting, are reported at what the Health System believes to be the amount they would expect to receive if it liquidated its investments at the balance sheet dates on a nondistressed basis.

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Certain affiliates of the Health System are partners in a NH general partnership established for the purpose of operating a master investment program of pooled investment accounts. Substantially all of the Health System's board-designated and permanently restricted assets were invested in these pooled funds by purchasing units based on the fair value of the pooled funds at the end of the month prior to receipt of any new additions to the funds. Interest, dividends, and realized and unrealized gains and losses earned on pooled funds are allocated monthly based on the weighted average units outstanding at the prior month-end.

Investment income or losses (including change in unrealized and realized gains and losses on unrestricted investments, change in value of equity method investments, interest, and dividends) are included in the excess of revenue over expenses and classified as non-operating gains and losses, unless the income or loss is restricted by donor or law (Note 8).

Fair Value Measurement of Financial Instruments

The Health System estimates fair value based on a valuation framework that uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy, as defined by ASC 820, *Fair Value Measurements and Disclosures*, are described below:

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for assets or liabilities.
- Level 2 Prices other than quoted prices in active markets that are either directly or indirectly observable as of the date of measurement.
- Level 3 Prices or valuation techniques that are both significant to the fair value measurement and unobservable.

The Health System applies the accounting provisions of Accounting Standards Update (ASU) 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)* (ASU 2009-12). ASU 2009-12 allows for the estimation of fair value of investments for which the investment does not have a readily determinable fair value, to use net asset value (NAV) per share or its equivalent as a practical expedient, subject to the Health System's ability to redeem its investment.

The carrying amount of patient accounts receivable, prepaid and other current assets, accounts payable and accrued expenses approximates fair value due to the short maturity of these instruments.

Property, Plant, and Equipment

Property, plant, and equipment, and other real estate are stated at cost at the time of purchase or fair value at the time of donation, less accumulated depreciation. The Health System's policy is to capitalize expenditures for major improvements and to charge expense for maintenance and repair expenditures which do not extend the lives of the related assets. The provision for depreciation has been determined using the straight-line method at rates which are intended to amortize the cost of assets over their estimated useful lives which range from 10 to 40 years for buildings and improvements, 2 to 20 years for equipment, and the shorter of the lease term, or 5 to 12 years, for leasehold improvements. Certain software development costs are amortized using the straight-line method over a period of up to 10 years. Net interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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The fair value of a liability for legal obligations associated with asset retirements is recognized in the period in which it is incurred, if a reasonable estimate of the fair value of the obligation can be made. When a liability is initially recorded, the cost of the asset retirement obligation is capitalized by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period and the capitalized cost associated with the retirement is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the actual cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations and changes in net assets.

Gifts of capital assets such as land, buildings, or equipment are reported as unrestricted support, and excluded from the excess of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of capital assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire capital assets are reported as restricted support. Absent explicit donor stipulations about how long those capital assets must be maintained, expirations of donor restrictions are reported when the donated or acquired capital assets are placed in service.

Bond Issuance Costs

Bond issuance costs, classified on the consolidated balance sheets within long-term debt, are amortized over the term of the related bonds. Amortization is recorded within depreciation and amortization in the consolidated statements of operations and changes in net assets using the straight-line method which approximates the effective interest method.

Trade Names

The Health System records trade names as intangible assets within other assets on the consolidated statements of financial position. The Health System considers trade names to be indefinite-lived assets, assesses them at least annually for impairment or more frequently if certain events or circumstances warrant and recognizes impairment charges for amounts by which the carrying values exceed their fair values. The Health System has recorded \$2,462,000 and \$2,700,000 as intangible assets associated with its affiliations as of June 30, 2018 and 2017, respectively.

Derivative Instruments and Hedging Activities

The Health System applies the provisions of ASC 815, *Derivatives and Hedging*, to its derivative instruments, which require that all derivative instruments be recorded at their respective fair values in the consolidated balance sheets.

On the date a derivative contract is entered into, the Health System designates the derivative as a cash-flow hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability. For all hedge relationships, the Health System formally documents the hedging relationship and its risk-management objective and strategy for undertaking the hedge, the hedging instrument, the nature of the risk being hedged, how the hedging instrument's effectiveness in offsetting the hedged risk will be assessed, and a description of the method of measuring ineffectiveness. This process includes linking cash-flow hedges to specific assets and liabilities on the consolidated balance sheets, specific firm commitments or forecasted transactions. The Health System also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in variability of cash flows of hedged items. Changes in the fair value of a derivative that is highly effective and that is designated and qualifies as a cash-flow hedge are recorded in unrestricted net assets until earnings are affected by the variability in cash

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flows of the designated hedged item. The ineffective portion of the change in fair value of a cash flow hedge is reported in excess of revenue over expenses in the consolidated statements of operations and changes in net assets.

The Health System discontinues hedge accounting prospectively when it is determined: (a) the derivative is no longer effective in offsetting changes in the cash flows of the hedged item; (b) the derivative expires or is sold, terminated, or exercised; (c) the derivative is undesignated as a hedging instrument because it is unlikely that a forecasted transaction will occur; (d) a hedged firm commitment no longer meets the definition of a firm commitment; and (e) management determines that designation of the derivative as a hedging instrument is no longer appropriate.

In all situations in which hedge accounting is discontinued, the Health System continues to carry the derivative at its fair value on the consolidated balance sheets and recognizes any subsequent changes in its fair value in excess of revenue over expenses.

Gifts and Bequests

Unrestricted gifts and bequests are recorded net of related expenses as non-operating gains. Conditional promises to give and indications of intentions to give to the Health System are reported at fair value at the date the gift is received. Gifts are reported as either temporarily or permanently restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions.

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09 - *Revenue from Contracts with Customers* and in August 2015, the FASB amended the guidance to defer the effective date of this standard by one year. ASU 2014-09 affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Health System is in the process of completing an evaluation of the requirements of the new standard, which became effective on July 1, 2018. In addition, the Health System is in the process of drafting the new disclosures required post implementation. The Health System plans to use a modified retrospective method of application to adopt ASU 2014-09 on July 1, 2018. The Health System will use a portfolio approach to apply the new model to classes of payers with similar characteristics and analyze cash collection trends over an appropriate collection look-back period depending on the payer. Adoption of ASU 2014-09 will result in changes to the presentation for and disclosure of revenue related to uninsured or underinsured patients. Prior to the adoption of ASU 2014-09, a significant portion of the provision for doubtful accounts related to self-pay patients, as well as co-pays and deductibles owed to the Health System by patients. Under ASU 2014-09, the estimated uncollectible amounts due from these patients are generally considered a direct reduction to net operating revenues and, correspondingly, result in a material reduction in the amounts presented separately as provision for doubtful accounts. The Health System is also in the process of completing an assessment of the impact of the new standard on other operating revenue and various reimbursement programs that represent variable consideration. These include supplemental state Medicaid programs, disproportionate share payments and settlements with third party payers. The payment mechanisms for these types of programs vary by state. While the adoption of ASU 2014-09 will

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have a material effect on the presentation of net operating revenues in the Health System's consolidated statements of operations and changes in net assets, and will impact certain disclosures, it will not materially impact the financial position, results of operations or cash flows.

In February 2016, the FASB issued ASU 2016-02 - *Leases*, which requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on its balance sheet. The standard also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, on a generally straight-line basis. The guidance also expands the required quantitative and qualitative disclosures surrounding leases. The ASU is effective for fiscal years beginning after December 15, 2018, or fiscal year 2020 for the Health System. The Health System is evaluating the impact of the new guidance on the consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01- *Recognition and Measurement of Financial Assets and Financial Liabilities*, which address certain aspects of recognition, measurement, presentation and disclosure of financial instruments. This guidance allows an entity to choose, investment-by-investment, to report an equity investment that neither has a readily determinable fair value, nor qualifies for the practical expedient for fair value estimation using NAV, at its cost minus impairment (if any), plus or minus changes resulting from observable price changes in orderly transactions for the identical or similar investment of the same issue. Impairment of such investments must be assessed qualitatively at each reporting period. Entities must disclose their financial assets and liabilities by measurement category and form of asset either on the face of the balance sheet or in the accompanying notes. The ASU is effective for annual reporting periods beginning after December 15, 2018 or fiscal year 2020 for the Health System. The provision to eliminate the requirement to disclose the fair value of financial instruments measured at cost (such as the fair value of debt) was early adopted during the year ended June 30, 2017.

In August 2016, the FASB issued ASU 2016-14 - *Presentation of Financial Statements for Not-for-Profit Entities*. The new pronouncement amends certain financial reporting requirements for not-for-profit entities, including revisions to the classification of net assets and expanded disclosure requirements concerning expenses and liquidity. The ASU is effective for the Health System for the year ending June 30, 2019. The Health System is evaluating the impact of the new guidance on the consolidated financial statements.

3. Patient Service Revenue and Accounts Receivable

Patient service revenue is reported net of contractual allowances and the provision for bad debts as follows for the years ended June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Gross patient service revenue	\$ 5,180,649	\$ 4,865,332
Less: Contractual allowances	3,281,554	3,006,140
Provision for bad debt	<u>47,367</u>	<u>63,645</u>
Net patient service revenue	<u>\$ 1,851,728</u>	<u>\$ 1,795,547</u>

Accounts receivable are reduced by an allowance for estimated uncollectibles. In evaluating the collectability of accounts receivable, the Health System analyzes past collection history and identifies trends for several categories of self-pay accounts (uninsured, residual balances, pre-collection accounts and charity) to estimate the appropriate allowance percentages in establishing

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the allowance for bad debt expense. Management performs collection rate look-back analyses on a quarterly basis to evaluate the sufficiency of the allowance for estimated uncollectibles. Throughout the year, after all reasonable collection efforts have been exhausted, the difference between the standard rates and the amounts actually collected, including contractual adjustments and uninsured discounts, will be written off against the allowance for estimated uncollectibles. In addition to the review of the categories of revenue, management monitors the write offs against established allowances as of a point in time to determine the appropriateness of the underlying assumptions used in estimating the allowance for estimated uncollectibles.

Accounts receivable, prior to adjustment for estimated uncollectibles, are summarized as follows at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Receivables		
Patients	\$ 94,104	\$ 90,786
Third-party payors	250,657	263,240
Nonpatient	6,695	4,574
	<u>\$ 351,456</u>	<u>\$ 358,600</u>

The allowance for estimated uncollectibles is \$132,228,000 and \$121,340,000 as of June 30, 2018 and 2017.

The following table categorizes payors into five groups and their respective percentages of gross patient-service revenue for the years ended June 30, 2018 and 2017:

	2018	2017
Medicare	43 %	43 %
Anthem/Blue Cross	18	18
Commercial insurance	20	20
Medicaid	13	13
Self-pay/other	6	6
	<u>100 %</u>	<u>100 %</u>

The Health System has agreements with third-party payors that provide for payments at amounts different from their established rates. A summary of the acute care payment arrangements in effect during the years ended June 30, 2018 and 2017 with major third-party payors follows:

Medicare

The Health System's inpatient acute care services provided to Medicare program beneficiaries are paid at prospectively determined rates-per-discharge. These rates vary according to a patient classification system that is based on diagnostic, clinical and other factors. In addition, inpatient capital costs (depreciation and interest) are reimbursed by Medicare on the basis of a prospectively determined rate per discharge. Medicare outpatient services are paid on a prospective payment system. Under this system, outpatient services are reimbursed based on a pre-determined amount for each outpatient procedure, subject to various mandated modifications. The Health System is reimbursed during the year for services to Medicare beneficiaries based on varying interim

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payment methodologies. Final settlement is determined after the submission of an annual cost report and subsequent audit of this report by the Medicare fiscal intermediary.

Certain of the Health System's affiliates qualify as Critical Access Hospitals (CAH), which are reimbursed by Medicare at 101% of reasonable costs, subject to 2% sequestration, for its inpatient acute, swing bed, and outpatient services, excluding ambulance services and inpatient hospice care. They are reimbursed at an interim rate for cost based services with a final settlement determined by the Medicare Cost Report filing. The nursing home and Rehabilitation distinct part units are not impacted by CAH designation. Medicare reimburses both services based on an acuity driven prospective payment system with no retrospective settlement.

Certain of the Health System's affiliates qualify as Home Health and Hospice Providers. Providers of home health services to clients eligible for Medicare home health benefits are paid on a prospective basis, with no retrospective settlement. The prospective payment is based on the scoring attributed to the acuity level of the client at a rate determined by federal guidelines. Hospice services to clients eligible for Medicare hospice benefits are paid on a per diem basis, with no retrospective settlement, provided the aggregate annual Medicare reimbursement is below a predetermined aggregate capitated rate. Revenue is recognized as the services are performed based on the fixed rate amount.

Medicaid

The Health System's payments for inpatient services rendered to NH Medicaid beneficiaries are based on a prospective payment system, while outpatient services are reimbursed on a retrospective cost basis or fee schedules. NH Medicaid Outpatient Direct Medical Education costs are reimbursed, as a pass-through, based on the filing of the Medicare cost report. Payment for inpatient and outpatient services rendered to VT Medicaid beneficiaries are based on prospective payment systems and the skilled nursing facility is reimbursed on a prospectively determined per diem rate.

During the years ended June 30, 2018 and 2017, the Health System recorded State of NH Medicaid Enhancement Tax (MET) and State of VT Provider Tax of \$67,692,000 and \$65,069,000, respectively. The taxes are calculated at 5.4% for NH and 6% for VT of certain net patient revenues in accordance with instructions received from the States. The provider taxes are included in Medicaid enhancement tax in the consolidated statements of operations and changes in net assets.

During fiscal year 2016, Vermont state legislation passed changes to the tax base for home health providers from 19.30% of core home health care services (primarily Medicaid services) with a cap of 6% of net patient service revenue to 3.63% of net patient revenue for fiscal year 2017 and fiscal year 2018. Home health provider tax paid, which is included in purchased services and other in the consolidated statements of operations and changes in net assets, was \$737,000 and \$645,000 in 2018 and 2017, respectively.

On June 30, 2014, the NH Governor signed into law a bi-partisan legislation reflecting an agreement between the State of NH and 25 NH hospitals on the Medicaid Enhancement Tax "SB 369". As part of this agreement the parties have agreed to resolve all pending litigation related to MET and Medicaid Rates, including the Catholic Medical Center Litigation, the Northeast Rehabilitation Litigation, 2014 DRA Refund Requests, and the State Rate Litigation.

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In May of 2018, the State of NH and NH Hospitals reached a new seven-year agreement through 2024. Under the terms of this agreement, the hospitals agreed to accept approximately \$28 million less in DSH payments to which they are entitled in fiscal year 2018 and fiscal year 2019 in exchange for greater certainty about both future DSH payments and increases in Medicaid reimbursement rates. The new agreement contains a number of safeguards. In the event of adverse federal legislative or administrative changes to the DSH program, the agreement provides for alternative payments (e.g., other Medicaid supplemental payments or rate increases that will compensate the hospitals for any loss of DSH revenue). Additionally, the hospitals have filed a declaratory judgment petition based on the terms of the 2018 agreement, to which the State of NH has consented and on which a court order has been entered. If the State of NH breaches any term of the 2018 agreement, the hospitals are entitled to recoup the balance of DSH payments forfeited in fiscal year 2018 and fiscal year 2019.

Pursuant to this agreement, the State of NH made DSH payments to D-HH member hospitals in NH in the aggregate amount of approximately \$66,383,000 for fiscal year 2018. In fiscal year 2017, D-HH member hospitals in NH received approximately \$59,473,000.

The Health Information Technology for Economic and Clinical Health (HITECH) Act included in the American Recovery and Reinvestment Act (ARRA) provides incentives for the adoption and use of health information technology by Medicare and Medicaid providers and eligible professionals. The Health System has recognized meaningful use incentives of \$344,000 and \$1,156,000 for both the Medicare and Vermont Medicaid programs during the years ended June 30, 2018 and 2017, respectively.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with laws and regulations can be subject to future government review and interpretation as well as significant regulatory action; failure to comply with such laws and regulations can result in fines, penalties and exclusion from the Medicare and Medicaid programs.

Other

For services provided to patients with commercial insurance, the Health System receives payment for inpatient services at prospectively determined rates-per-discharge, prospectively determined per diem rates or a percentage of established charges. Outpatient services are reimbursed on a fee schedule or at a discount from established charges.

Non-acute and physician services are paid at various rates under different arrangements with governmental payors, commercial insurance carriers and health maintenance organizations. The basis for payments under these arrangements includes prospectively determined per visit rates, discounts from established charges, fee schedules, and reasonable cost subject to limitations.

The Health System has provided for its estimated final settlements with all payors based upon applicable contracts and reimbursement legislation and timing in effect for all open years (2013 - 2018). The differences between the amounts provided and the actual final settlement, if any, is recorded as an adjustment to net patient service revenue as amounts become known or as years are no longer subject to audits, reviews and investigations. During 2018 and 2017, changes in prior estimates related to the Health System's settlements with third-party payors resulted in (decreases) increases in net patient service revenue of (\$5,604,000) and \$2,000,000 respectively, in the consolidated statements of operations and changes in net assets.

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4. Investments

The composition of investments at June 30, 2018 and 2017 is set forth in the following table:

<i>(in thousands of dollars)</i>	2018	2017
Assets limited as to use		
Internally designated by board		
Cash and short-term investments	\$ 8,558	\$ 9,923
U.S. government securities	50,484	44,835
Domestic corporate debt securities	109,240	100,953
Global debt securities	110,944	105,920
Domestic equities	142,796	129,548
International equities	106,668	95,167
Emerging markets equities	23,562	33,893
Real Estate Investment Trust	816	791
Private equity funds	50,415	39,699
Hedge funds	32,831	30,448
	<u>636,314</u>	<u>591,177</u>
Investments held by captive insurance companies (Note 11)		
U.S. government securities	30,581	18,814
Domestic corporate debt securities	16,764	21,681
Global debt securities	4,513	5,707
Domestic equities	8,109	9,048
International equities	7,971	13,888
	<u>67,938</u>	<u>69,138</u>
Held by trustee under indenture agreement (Note 9)		
Cash and short-term investments	1,872	2,008
Total assets limited as to use	<u>706,124</u>	<u>662,323</u>
Other investments for restricted activities		
Cash and short-term investments	4,952	5,467
U.S. government securities	28,220	28,096
Domestic corporate debt securities	29,031	27,762
Global debt securities	14,641	14,560
Domestic equities	20,509	18,451
International equities	17,521	15,499
Emerging markets equities	2,155	3,249
Real Estate Investment Trust	954	790
Private equity funds	4,878	3,949
Hedge funds	8,004	6,676
Other	31	30
	<u>130,896</u>	<u>124,529</u>
Total other investments for restricted activities	<u>130,896</u>	<u>124,529</u>
Total investments	<u>\$ 837,020</u>	<u>\$ 786,852</u>

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Investments are accounted for using either the fair value method or equity method of accounting, as appropriate on a case by case basis. The fair value method is used when debt securities or equity securities are traded on active markets and are valued at prices that are readily available in those markets. The equity method is used when investments are made in pooled/commingled investment funds that represent investments where shares or units are owned of pooled funds rather than the underlying securities in that fund. These pooled/commingled funds make underlying investments in securities from the asset classes listed above. All investments, whether the fair value or equity method of accounting is used, are reported at what the Health System believes to be the amount that the Health System would expect to receive if it liquidated its investments at the balance sheets date on a non-distressed basis.

The following tables summarize the investments by the accounting method utilized, as of June 30, 2018 and 2017. Accounting standards require disclosure of additional information for those securities accounted for using the fair value method, as shown in Note 6.

<i>(in thousands of dollars)</i>	2018		
	Fair Value	Equity	Total
Cash and short-term investments	\$ 15,382	\$ -	\$ 15,382
U.S. government securities	109,285	-	109,285
Domestic corporate debt securities	95,481	59,554	155,035
Global debt securities	49,104	80,994	130,098
Domestic equities	157,011	14,403	171,414
International equities	60,002	72,158	132,160
Emerging markets equities	1,296	24,421	25,717
Real Estate Investment Trust	222	1,548	1,770
Private equity funds	-	55,293	55,293
Hedge funds	-	40,835	40,835
Other	31	-	31
	\$ 487,814	\$ 349,206	\$ 837,020

<i>(in thousands of dollars)</i>	2017		
	Fair Value	Equity	Total
Cash and short-term investments	\$ 17,398	\$ -	\$ 17,398
U.S. government securities	91,745	-	91,745
Domestic corporate debt securities	121,631	28,765	150,396
Global debt securities	45,660	80,527	126,187
Domestic equities	144,618	12,429	157,047
International equities	29,910	94,644	124,554
Emerging markets equities	1,226	35,916	37,142
Real Estate Investment Trust	128	1,453	1,581
Private equity funds	-	43,648	43,648
Hedge funds	-	37,124	37,124
Other	30	-	30
	\$ 452,346	\$ 334,506	\$ 786,852

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Investment income is comprised of the following for the years ended June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Unrestricted		
Interest and dividend income, net	\$ 12,324	\$ 4,418
Net realized gains on sales of securities	24,411	16,868
Change in net unrealized gains on investments	4,612	30,809
	<u>41,347</u>	<u>52,095</u>
Temporarily restricted		
Interest and dividend income, net	1,526	1,394
Net realized gains on sales of securities	1,438	283
Change in net unrealized gains on investments	1,282	3,775
	<u>4,246</u>	<u>5,452</u>
Permanently restricted		
Change in net unrealized gains on beneficial interest in trust	108	245
	<u>108</u>	<u>245</u>
	<u>\$ 45,701</u>	<u>\$ 57,792</u>

For the years ended June 30, 2018 and 2017 unrestricted investment income is reflected in the accompanying consolidated statements of operations and changes in net assets as operating revenue of approximately \$960,000 and \$1,039,000 and as non-operating gains of approximately \$40,387,000 and 51,056,000, respectively.

Private equity limited partnership shares are not eligible for redemption from the fund or general partner, but can be sold to third party buyers in private transactions that typically can be completed in approximately 90 days. It is the intent of the Health System to hold these investments until the fund has fully distributed all proceeds to the limited partners and the term of the partnership agreement expires. Under the terms of these agreements, the Health System has committed to contribute a specified level of capital over a defined period of time. Through June 30, 2018 and 2017, the Health System has committed to contribute approximately \$137,219,000 and \$119,719,000 to such funds, of which the Health System has contributed approximately \$91,942,000 and \$81,982,000 and has outstanding commitments of \$45,277,000 and \$37,737,000, respectively.

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5. Property, Plant, and Equipment

Property, plant, and equipment are summarized as follows at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Land	\$ 38,058	\$ 38,058
Land improvements	42,295	37,579
Buildings and improvements	876,537	818,831
Equipment	818,902	766,667
Equipment under capital leases	20,966	20,495
	<u>1,796,758</u>	<u>1,681,630</u>
Less: Accumulated depreciation and amortization	<u>1,200,549</u>	<u>1,101,058</u>
Total depreciable assets, net	596,209	580,572
Construction in progress	<u>11,112</u>	<u>29,403</u>
	<u>\$ 607,321</u>	<u>\$ 609,975</u>

As of June 30, 2018, construction in progress primarily consists of the building renovations taking place at the birthing pavilion in Lebanon, NH as well as the information systems PeopleSoft project for APD and Cheshire. The estimated cost to complete the birthing pavilion at June 30, 2018 is \$200,000 and the estimated cost to complete the PeopleSoft project is \$2,775,000.

The construction in progress for the Hospice & Palliative Care building reported as of June 30, 2017 was completed during the second quarter of fiscal year 2018 and APD's medical office building was completed in the fourth quarter of fiscal year 2018.

Depreciation and amortization expense included in operating and non-operating activities was approximately \$84,947,000 and \$84,711,000 for 2018 and 2017, respectively.

6. Fair Value Measurements

The following is a description of the valuation methodologies for assets and liabilities measured at fair value on a recurring basis:

Cash and Short-Term Investments

Consists of money market funds and are valued at net asset value (NAV) reported by the financial institution.

Domestic, Emerging Markets and International Equities

Consists of actively traded equity securities and mutual funds which are valued at the closing price reported on an active market on which the individual securities are traded (Level 1 measurements).

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U.S. Government Securities, Domestic Corporate and Global Debt Securities

Consists of U.S. government securities, domestic corporate and global debt securities, mutual funds and pooled/commingled funds that invest in U.S. government securities, domestic corporate and global debt securities. Securities are valued based on quoted market prices or dealer quotes where available (Level 1 measurement). If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments or, if necessary, matrix pricing from a third party pricing vendor to determine fair value (Level 2 measurements). Matrix prices are based on quoted prices for securities with similar coupons, ratings and maturities, rather than on specific bids and offers for a designated security. Investments in mutual funds are measured based on the quoted NAV as of the close of business in the respective active market (Level 1 measurements).

Interest Rate Swaps

The fair value of interest rate swaps, are determined using the present value of the fixed and floating legs of the swaps. Each series of cash flows are discounted by observable market interest rate curves and credit risk. All interest rate swaps held by the Health System were extinguished as part of Series 2018A and Series 2018B bond issuance (Note 9).

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The following tables set forth the consolidated financial assets and liabilities that were accounted for at fair value on a recurring basis as of June 30, 2018 and 2017:

(In thousands of dollars)	2018			Total	Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3			
Assets						
Investments						
Cash and short term investments	\$ 15,382	\$ -	\$ -	\$ 15,382	Daily	1
U.S. government securities	109,285	-	-	109,285	Daily	1
Domestic corporate debt securities	41,488	53,993	-	95,481	Daily-Monthly	1-15
Global debt securities	32,874	16,230	-	49,104	Daily-Monthly	1-15
Domestic equities	157,011	-	-	157,011	Daily-Monthly	1-10
International equities	59,924	78	-	60,002	Daily-Monthly	1-11
Emerging market equities	1,296	-	-	1,296	Daily-Monthly	1-7
Real estate investment trust	222	-	-	222	Daily-Monthly	1-7
Other	-	31	-	31	Not applicable	Not applicable
Total Investments	417,482	70,332	-	487,814		
Deferred compensation plan assets						
Cash and short-term investments	2,637	-	-	2,637		
U.S. government securities	38	-	-	38		
Domestic corporate debt securities	3,749	-	-	3,749		
Global debt securities	1,089	-	-	1,089		
Domestic equities	18,470	-	-	18,470		
International equities	3,584	-	-	3,584		
Emerging market equities	28	-	-	28		
Real estate	9	-	-	9		
Multi strategy fund	46,680	-	-	46,680		
Guaranteed contract	-	-	86	86		
Total deferred compensation plan assets	76,284	-	86	76,370	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,374	9,374	Not applicable	Not applicable
Total assets	\$ 493,766	\$ 70,332	\$ 9,460	\$ 573,558		

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(in thousands of dollars)	2017				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Assets						
Investments						
Cash and short term investments	\$ 17,398	\$ -	\$ -	\$ 17,398	Daily	1
U.S. government securities	91,745	-	-	91,745	Daily	1
Domestic corporate debt securities	66,238	55,393	-	121,631	Daily-Monthly	1-15
Global debt securities	28,142	17,518	-	45,660	Daily-Monthly	1-15
Domestic equities	144,618	-	-	144,618	Daily-Monthly	1-10
International equities	29,870	40	-	29,910	Daily-Monthly	1-11
Emerging market equities	1,226	-	-	1,226	Daily-Monthly	1-7
Real estate investment trust	128	-	-	128	Daily-Monthly	1-7
Other	-	30	-	30	Not applicable	Not applicable
Total investments	379,365	72,981	-	452,346		
Deferred compensation plan assets						
Cash and short-term investments	2,633	-	-	2,633		
U.S. government securities	37	-	-	37		
Domestic corporate debt securities	8,802	-	-	8,802		
Global debt securities	1,095	-	-	1,095		
Domestic equities	28,609	-	-	28,609		
International equities	9,595	-	-	9,595		
Emerging market equities	2,706	-	-	2,706		
Real estate	2,112	-	-	2,112		
Multi strategy fund	13,083	-	-	13,083		
Guaranteed contract	-	-	83	83		
Total deferred compensation plan assets	68,672	-	83	68,755	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,244	9,244	Not applicable	Not applicable
Total assets	\$ 448,037	\$ 72,981	\$ 9,327	\$ 530,345		
Liabilities						
Interest rate swaps	\$ -	\$ 20,916	\$ -	\$ 20,916	Not applicable	Not applicable
Total liabilities	\$ -	\$ 20,916	\$ -	\$ 20,916		

The following table is a rollforward of the statements of financial instruments classified by the Health System within Level 3 of the fair value hierarchy defined above.

(in thousands of dollars)	2018		
	Beneficial Interest in Perpetual Trust	Guaranteed Contract	Total
Balances at beginning of year	\$ 9,244	\$ 83	\$ 9,327
Purchases	-	-	-
Sales	-	-	-
Net unrealized gains	130	3	133
Net asset transfer from affiliate	-	-	-
Balances at end of year	\$ 9,374	\$ 86	\$ 9,460

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<i>(in thousands of dollars)</i>	2017		
	Beneficial Interest in Perpetual Trust	Guaranteed Contract	Total
Balances at beginning of year	\$ 9,087	\$ 80	\$ 9,167
Purchases	-	-	-
Sales	-	-	-
Net unrealized gains	157	3	160
Net asset transfer from affiliate	-	-	-
Balances at end of year	\$ 9,244	\$ 83	\$ 9,327

There were no transfers into and out of Level 1 and 2 measurements due to changes in valuation methodologies during the years ended June 30, 2018 and 2017.

7. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Healthcare services	\$ 19,570	\$ 32,583
Research	24,732	25,385
Purchase of equipment	3,068	3,080
Charity care	13,667	13,814
Health education	18,429	17,489
Other	2,973	2,566
	\$ 82,439	\$ 94,917

Permanently restricted net assets consist of the following at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Healthcare services	\$ 23,390	\$ 22,916
Research	7,821	7,795
Purchase of equipment	6,310	6,274
Charity care	8,883	6,895
Health education	8,784	10,228
Other	206	57
	\$ 55,394	\$ 54,165

Income earned on permanently restricted net assets is available for these purposes.

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8. Board Designated and Endowment Funds

Net assets include numerous funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees has interpreted the NH and VT Uniform Prudent Management of Institutional Funds Acts (UPMIFA or Act) for donor-restricted endowment funds as requiring the preservation of the original value of gifts, as of the gift date, to donor-restricted endowment funds, absent explicit donor stipulations to the contrary. The Health System classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, if any. Collectively these amounts are referred to as the historic dollar value of the fund.

Unrestricted net assets include funds designated by the Board of Trustees to function as endowments and the income from certain donor-restricted endowment funds, and any accumulated investment return thereon, which pursuant to donor intent may be expended based on trustee or management designation. Temporarily restricted net assets include funds appropriated for expenditure pursuant to endowment and investment spending policies, certain expendable endowment gifts from donors, and any retained income and appreciation on donor-restricted endowment funds, which are restricted by the donor to a specific purpose or by law. When the temporary restrictions on these funds have been met, the funds are reclassified to unrestricted net assets.

In accordance with the Act, the Health System considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the fund; the purposes of the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources available; and investment policies.

The Health System has endowment investment and spending policies that attempt to provide a predictable stream of funding for programs supported by its endowment while ensuring that the purchasing power does not decline over time. The Health System targets a diversified asset allocation that places emphasis on investments in domestic and international equities, fixed income, private equity, and hedge fund strategies to achieve its long-term return objectives within prudent risk constraints. The Health System's Investment Committee reviews the policy portfolio asset allocations, exposures, and risk profile on an ongoing basis.

The Health System, as a policy, may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established, subject to donor intent expressed in the gift instrument and the standard of prudence prescribed by the Act.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below their original contributed value. Such market losses were not material as of June 30, 2018 and 2017.

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Endowment net asset composition by type of fund consists of the following at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 31,320	\$ 46,877	\$ 78,197
Board-designated endowment funds	29,506	-	-	29,506
Total endowed net assets	\$ 29,506	\$ 31,320	\$ 46,877	\$ 107,703

<i>(in thousands of dollars)</i>	2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 29,701	\$ 45,756	\$ 75,457
Board-designated endowment funds	26,389	-	-	26,389
Total endowed net assets	\$ 26,389	\$ 29,701	\$ 45,756	\$ 101,846

Changes in endowment net assets for the year ended June 30, 2018:

<i>(in thousands of dollars)</i>	2018			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balances at beginning of year	\$ 26,389	\$ 29,701	\$ 45,756	\$ 101,846
Net investment return	3,112	4,246	-	7,358
Contributions	-	-	1,121	1,121
Transfers	5	(35)	-	(30)
Release of appropriated funds	-	(2,592)	-	(2,592)
Balances at end of year	\$ 29,506	\$ 31,320	46,877	\$ 107,703

Balances at end of year	46,877
Beneficial interest in perpetual trust	8,517
Permanently restricted net assets	\$ 55,394

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Changes in endowment net assets for the year ended June 30, 2017:

<i>(in thousands of dollars)</i>	2017			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Balances at beginning of year	\$ 26,205	\$ 25,780	\$ 45,402	\$ 97,387
Net investment return	283	5,285	2	5,570
Contributions	-	210	300	510
Transfers	-	(26)	22	(4)
Release of appropriated funds	(99)	(1,548)	-	(1,647)
Net asset transfer from affiliates	-	-	30	30
Balances at end of year	\$ 26,389	\$ 29,701	\$ 45,756	\$ 101,846
Balances at end of year			45,756	
Beneficial interest in perpetual trust			8,409	
Permanently restricted net assets			\$ 54,165	

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9. Long-Term Debt

A summary of long-term debt at June 30, 2018 and 2017 is as follows:

<i>(in thousands of dollars)</i>	2018	2017
Variable rate issues		
New Hampshire Health and Education Facilities		
Authority (NHHEFA) Revenue Bonds		
Series 2018A, principal maturing in varying annual amounts, through August 2036 (1)	\$ 83,355	\$ -
Series 2016A, principal maturing in varying annual amounts, through August 2046 (3)	-	24,608
Series 2015A, principal maturing in varying annual amounts, through August 2031 (4)	-	82,975
Fixed rate issues		
New Hampshire Health and Education Facilities		
Authority Revenue Bonds		
Series 2018B, principal maturing in varying annual amounts, through August 2048 (1)	303,102	-
Series 2017A, principal maturing in varying annual amounts, through August 2039 (2)	122,435	-
Series 2017B, principal maturing in varying annual amounts, through August 2030 (2)	109,800	-
Series 2016B, principal maturing in varying annual amounts, through August 2046 (3)	10,970	10,970
Series 2014A, principal maturing in varying annual amounts, through August 2022 (6)	26,960	26,960
Series 2014B, principal maturing in varying annual amounts, through August 2033 (6)	14,530	14,530
Series 2012A, principal maturing in varying annual amounts, through August 2031 (7)	-	71,700
Series 2012B, principal maturing in varying annual amounts, through August 2031 (7)	-	39,340
Series 2012, principal maturing in varying annual amounts, through July 2039 (11)	25,955	26,735
Series 2010, principal maturing in varying annual amounts, through August 2040 (9)	-	75,000
Series 2009, principal maturing in varying annual amounts, through August 2038 (10)	-	57,540
Total variable and fixed rate debt	\$ 697,107	\$ 430,358

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A summary of long-term debt at June 30, 2018 and 2017 is as follows (continued):

<i>(in thousands of dollars)</i>	2018	2017
Other		
Revolving Line of Credit, principal maturing through March 2019 (5)	\$ -	\$ 49,750
Series 2012, principal maturing in varying annual amounts, through July 2025 (8)	-	136,000
Series 2010, principal maturing in varying annual amounts, through August 2040 (12)*	15,498	15,900
Note payable to a financial institution payable in interest free monthly installments through July 2015; collateralized by associated equipment*	646	811
Note payable to a financial institution with entire principal due June 2029 that is collateralized by land and building. The note payable is interest free*	380	437
Mortgage note payable to the US Dept of Agriculture; monthly payments of \$10,892 include interest of 2.375% through November 2046*	2,697	2,763
Obligations under capital leases	18,965	3,435
Total other debt	38,186	209,096
Total variable and fixed rate debt	697,107	430,358
Total long-term debt	735,293	639,454
Less: Original issue discounts and premiums, net	(26,862)	862
Bond issuance costs, net	5,716	3,832
Current portion	3,464	18,357
	\$ 752,975	\$ 616,403

*Represents nonobligated group bonds

Aggregate annual principal payments required under revenue bond agreements and capital lease obligations for the next five years ending June 30 and thereafter are as follows:

<i>(in thousands of dollars)</i>	2018
2019	\$ 3,464
2020	10,495
2021	10,323
2022	10,483
2023	7,579
Thereafter	692,949
	\$ 735,293

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Dartmouth-Hitchcock Obligated Group (DHOG) Bonds.

MHMH established the DHOG in 1993 for the original purpose of issuing bonds financed through NHHEFA or the "Authority". The members of the obligated group consist of MHMH, DHC, Cheshire, NLH and MAHHC. D-HH is designated as the obligated group agent.

Revenue Bonds issued by members of the DHOG are administered through notes registered in the name of the Bond Trustee and in accordance with the terms of a Master Trust Indenture. The Master Trust Indenture contains provisions permitting the addition, withdrawal, or consolidation of members of the DHOG under certain conditions. The notes constitute a joint and several obligation of the members of the DHOG (and any other future members of the DHOG) and are equally and ratably collateralized by a pledge of the members' gross receipts. The DHOG is also subject to certain annual covenants under the Master Trust Indenture, the most restrictive is the Annual Debt Service Coverage Ratio (1.10x).

(1) Series 2018A and Series 2018B Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2018A and Series 2018B in February 2018. The Series 2018A Revenue Bonds were primarily used to refund a portion of Series 2015A and Series 2016A. The Series 2018B were primarily used to refund a portion of Series 2015A and Series 2016A, Revolving Line of Credit, Series 2012 Bank Loan and the Series 2015A and Series 2016A Swap terminations. A loss on the extinguishment of debt of approximately \$578,000 was recognized in non-operating gains (losses) on the statement of operations and changes in net assets, as a result of the refinancing. The interest on the Series 2018A Revenue Bonds is variable with a current interest rate of 5.00% and matures in variable amounts through 2037. The interest on the Series 2018B Revenue Bonds is fixed with an interest rate of 4.18% and matures in variable amounts through 2048.

(2) Series 2017A and Series 2017B Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2017A and Series 2017B in December, 2017. The Series 2017A Revenue Bonds were primarily used to refund Series 2009 and Series 2010 and the Series 2017B Revenue Bonds were used to refund Series 2012A and Series 2012B. A loss on the extinguishment of debt of approximately \$13,636,000 was recognized in non-operating gains (losses) on the statement of operations and changes in net assets, as a result of the refinancing. The interest on the Series 2017A Revenue Bonds is fixed with an interest rate of 5.00% and matures in variable amounts through 2040. The interest on the Series 2017B Revenue Bonds is fixed with an interest rate of 2.54% and matures in variable amounts through 2031.

(3) Series 2016A and 2016B Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2016A and 2016B in July 2016 through a private placement with a financial institution. The Series 2016A Revenue Bonds were primarily used to refund Series 2013A and Series 2013B and the Series 2016B Revenue Bonds were used to finance 2016 projects. Interest is equal to the sum of .70 times one month LIBOR plus .70 times the spread. The variable rate as of June 30 2017 was 1.48% The Series 2016B is fixed with an interest rate of 1.78% and matures at various dates through 2046. The Series 2016A Revenue Bonds were refunded in February 2018.

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(4) Series 2015A Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2015A in September 2015 through a private placement with a financial institution. The Series 2015A Revenue Bonds were primarily used to refinance a portion of the Series 2011 Revenue Bonds and to cover cost of issuance. The Series 2015A Revenue Bonds accrue interest variably and mature at various dates through 2031 based on the one-month London Interbank Offered Rate (LIBOR). The Series 2015A Revenue Bonds were refunded in February 2018.

(5) Revolving Line of Credit

The DHOG entered into a Revolving Line of Credit with TD Bank, N.A. (TD Bank). Interest on the TD Bank loan accrues variably and matures at various dates through March 2019. The Revolving Line of Credit was refunded in February 2018.

(6) Series 2014A and Series 2014B Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2014A and Series 2014B in August 2014. The proceeds from the Series 2014A and 2014B Revenue Bonds were used to partially refund the Series 2009 Revenue Bonds and to cover cost of issuance. Interest on the 2014A Revenue Bonds is fixed with an interest rate of 2.63% and matures at various dates through 2022. Interest on the Series 2014B Revenue Bonds is fixed with an interest rate of 4.00% and matures at various dates through 2033.

(7) Series 2012A and 2012B Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2012A and Series 2012B in November 2012. The proceeds from the Series 2012A and 2012B were used to advance refund the Series 2002 Revenue Bonds and to cover cost of issuance. Interest on the 2012A Revenue Bonds is fixed with an interest rate of 2.29% and matures at various dates through 2031. Interest on the Series 2012B Revenue Bonds is fixed with an interest rate of 2.33% and matures at various dates through 2031. The Series 2012A and Series 2012B Revenue Bonds were refunded in December 2017.

(8) Series 2012 Bank Loan

The DHOG issued the Bank of America, N.A. Series 2012 note, in July 2012. The proceeds from the Series 2012 note were used to prefund the D-H defined benefit pension plan. Interest on the Series 2012 note accrues at a fixed rate of 2.47% and matures at various dates through 2025. The Series 2012 Bank Loan was refunded in February 2018.

(9) Series 2010 Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2010, in June 2010. The proceeds from the Series 2010 Revenue Bonds were primarily used to construct a 140,000 square foot ambulatory care facility in Nashua, NH as well as various equipment. Interest on the bonds accrue at a fixed rate of 5.00% and mature at various dates through August 2040. The Series 2010 Revenue Bonds were defeased in December 2017.

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(10) Series 2009 Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2009, in August 2009. The proceeds from the Series 2009 Revenue Bonds were primarily used to advance refund the Series 2008 Revenue Bonds. Interest on the Series 2009 Revenue Bonds accrue at varying fixed rates between 5.00% and 6.00% and mature at various dates through August 2038. The Series 2009 Revenue Bonds were defeased in December 2017.

(11) Series 2012 Revenue Bonds

The NHHEFA issued \$29,650,000 of tax-exempt Revenue Bonds, Series 2012. The proceeds of these bonds were used to refund 1998 and 2009 Series Bonds, to finance the settlement cost of the interest rate swap, and to finance the purchase of certain equipment and renovations. The bonds have fixed interest coupon rates ranging from 2.0% to 5.0% (a net interest cost of 3.96%). Principal is payable in annual installments ranging from \$780,000 to \$1,750,000 through July 2039. The Series 2012 Revenue Bonds were refunded in February 2018.

Outstanding joint and several indebtedness of the DHOG at June 30, 2018 and 2017 approximates \$697,107,000 and \$616,108,000, respectively.

Non Obligated Group Bonds

(12) Series 2010 Revenue Bonds

The Business Finance Authority (BFA) of the State of NH issued Revenue Bonds, Series 2010. Interest is based on an annual percentage rate equal to the sum of (a) 69% of the 1-Month LIBOR rate plus (b) 1.8975/5. APD may prepay certain of these bonds according to the terms of the loan and trust agreement. The bonds are redeemable at any time by APD at par value plus any accrued interest. The bonds are also subject to optional tender for purchase (as a whole) in November 2020 at par plus accrued interest.

The Health System Indenture agreements require establishment and maintenance of debt service reserves and other trustee held funds. Trustee held funds of approximately \$1,872,000 and \$2,008,000 at June 30, 2018 and 2017, respectively, are classified as assets limited as to use in the accompanying consolidated balance sheets (Note 4). The debt service reserves are mainly comprised of escrowed funds held for future interest payments for the Cheshire debt.

For the years ended June 30, 2018 and 2017 interest expense on the Health System's long term debt is reflected in the accompanying consolidated statements of operations and changes in net assets as operating expense of approximately \$18,822,000 and \$19,838,000 and is included in other non-operating losses of \$2,793,000 and \$3,135,000, respectively.

Swap Agreements

The Health System is subject to market risks such as changes in interest rates that arise from normal business operation. The Health System regularly assesses these risks and has established business strategies to provide natural offsets, supplemented by the use of derivative financial instruments to protect against the adverse effect of these and other market risks. The Health System has established clear policies, procedures, and internal controls governing the use of derivatives and does not use them for trading, investment, or other speculative purposes.

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A summary of the Health System's derivative financial instruments is as follows:

- A Fixed Payor Swap designed as a cash flow hedge of the NHHEFA Series 2011 Revenue Bonds. The Swap had an initial notional amount of \$91,040,000. The Swap Agreement requires the Health System to pay the counterparty a fixed rate of 4.56% in exchange for the counterparty's payment of 67% of USD-LIBOR-BBA. The Swap's term matches that of the associated bonds. The 2011 interest rate swap was not integrated with the 2011 bonds. When the 2011 bonds were refinanced, the swap became associated with the 2015 bond. The Fixed Payor Swap was terminated in February 2018.
- An Interest Rate Swap to hedge the interest rate risk associated with the NHHEFA Series 2013 Revenue Bonds. The Swap had an initial notional amount of \$15,000,000. The Swap Agreement requires the Health System to pay the counterparty a fixed rate of 3.94% in exchange for the counterparty's payment at 67% of USD-LIBOR-BBA. The Swap term matches that of the associated bonds. The Interest Rate Swap was terminated in February, 2018.
- An Interest Rate Swap to hedge the interest rate risk associated with the VEHFBA Series 2010A Revenue Bonds. The Swap had an initial notional amount of \$7,244,000. The Swap Agreement requires the Health System to pay the counterparty a fixed rate of 2.41% in exchange for the counterparty's payment of 69% of USD-LIBOR-BBA. The swap was terminated in September 2016, while the bonds will remain outstanding until 2030.

The obligation of the Health System to make payments on its bonds with respect to interest is in no way conditional upon the Health System's receipt of payments from the interest rate swap agreement counterparty.

As of June 30, 2018, there was no liability for interest rate swaps as all remaining swaps were terminated in February 2018. For the year ended June 30, 2018, the Health System recognized a non-operating loss due to swap termination of \$14,247,000 relating to the swap termination. As of June 30, 2017, the fair value of the Health System's interest rate swaps was a liability of \$20,916,000. The change in fair value during the years ended June 30, 2018 and 2017 was a decrease of \$4,897,000 and \$8,002,000, respectively. For the years ended June 30, 2018 and 2017 the Health System recognized a non-operating gain of \$145,000 and \$124,000 resulting from hedge ineffectiveness and amortization of frozen swaps.

10. Employee Benefits

All eligible employees of the Health System are covered under various defined benefit and/or define contribution plans. In addition, certain affiliates provide postretirement medical and life benefit plans to certain of its active and former employees who meet eligibility requirements. The postretirement medical and life plans are not funded.

All of the defined benefit plans within the Health System have been frozen or had been approved by the applicable Board of Trustees to be frozen by January 31, 2017.

In December of 2016 the Board of Trustees approved to accelerate the freeze date on the remaining pension plan from December 31, 2017 to January 31, 2017. Effective with that date, the last of the participants earning benefits in any of the Health System's defined benefit plans will no longer earn benefits under the plans.

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The Health System continued to execute the settlement of obligations due to retirees in the defined benefit plans through bulk lump sum offerings or purchases of annuity contracts. The annuity purchases follow guidelines established by the Department of Labor (DOL). The Health System anticipates continued consideration and/or implementation of additional settlements over the next several years.

Defined Benefit Plans

Net periodic pension expense included in employee benefits in the consolidated statements of operations and changes in net assets is comprised of the components listed below for the years ended June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Service cost for benefits earned during the year	\$ 150	\$ 5,736
Interest cost on projected benefit obligation	47,190	47,316
Expected return on plan assets	(64,561)	(64,169)
Net prior service cost	-	109
Net loss amortization	10,593	20,267
Special/contractual termination benefits	-	119
One-time benefit upon plan freeze acceleration	-	9,519
	<u>\$ (6,628)</u>	<u>\$ 18,897</u>

The following assumptions were used to determine net periodic pension expense as of June 30, 2018 and 2017:

	2018	2017
Discount rate	4.00 % – 4.30 %	4.20 % – 4.90 %
Rate of increase in compensation	N/A	Age Graded - N/A
Expected long-term rate of return on plan assets	7.50 % – 7.75 %	7.50 % – 7.75 %

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The following table sets forth the funded status and amounts recognized in the Health System's consolidated financial statements for the defined benefit pension plans at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 1,122,615	\$ 1,096,619
Service cost	150	5,736
Interest cost	47,190	47,316
Benefits paid	(47,550)	(43,276)
Expenses paid	(172)	(183)
Actuarial (gain) loss	(34,293)	6,884
One-time benefit upon plan freeze acceleration	-	9,519
Benefit obligation at end of year	<u>1,087,940</u>	<u>1,122,615</u>
Change in plan assets		
Fair value of plan assets at beginning of year	878,701	872,320
Actual return on plan assets	33,291	44,763
Benefits paid	(47,550)	(43,276)
Expenses paid	(172)	(183)
Employer contributions	20,713	5,077
Fair value of plan assets at end of year	<u>884,983</u>	<u>878,701</u>
Funded status of the plans	<u>(202,957)</u>	<u>(243,914)</u>
Less: Current portion of liability for pension	<u>(45)</u>	<u>(46)</u>
Long term portion of liability for pension	<u>(202,912)</u>	<u>(243,868)</u>
Liability for pension	<u>\$ (202,957)</u>	<u>\$ (243,914)</u>

For the years ended June 30, 2018 and 2017 the liability for pension is included in the liability for pension and other postretirement plan benefits in the accompanying consolidated balance sheets.

Amounts not yet reflected in net periodic pension expense and included in the change in unrestricted net assets include approximately \$418,971,000 and \$429,782,000 of net actuarial loss as of June 30, 2018 and 2017, respectively.

The estimated amounts to be amortized from unrestricted net assets into net periodic pension expense in fiscal year 2019 for net actuarial losses is \$10,357,000.

The accumulated benefit obligation for the defined benefit pension plans was approximately \$1,087,991,000 and \$1,123,010,000 at June 30, 2018 and 2017, respectively.

The following table sets forth the assumptions used to determine the benefit obligation at June 30, 2018 and 2017:

	2018	2017
Discount rate	4.20 % – 4.50 %	4.00 % – 4.30 %
Rate of increase in compensation	N/A	N/A - 0.00 %

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The primary investment objective for the Plan's assets is to support the Pension liabilities of the Pension Plans for Employees of the Health System, by providing long-term capital appreciation and by also using a Liability Driven Investing ("LDI") strategy to partially hedge the impact fluctuating interest rates have on the value of the Plan's liabilities. As of June 30, 2018 and 2017, it is expected that the LDI strategy will hedge approximately 60% and 55%, respectively, of the interest rate risk associated with pension liabilities. To achieve the appreciation and hedging objectives, the Plans utilize a diversified structure of asset classes designed to achieve stated performance objectives measured on a total return basis, which includes income plus realized and unrealized gains and losses.

The range of target allocation percentages and the target allocations for the various investments are as follows:

	Range of Target Allocations	Target Allocations
Cash and short-term investments	0–5%	3%
U.S. government securities	0–10	5
Domestic debt securities	20–58	38
Global debt securities	6–26	8
Domestic equities	5–35	19
International equities	5–15	11
Emerging market equities	3–13	5
Real estate investment trust funds	0–5	0
Private equity funds	0–5	0
Hedge funds	5–18	11

To the extent an asset class falls outside of its target range on a quarterly basis, the Health System shall determine appropriate steps, as it deems necessary, to rebalance the asset class.

The Boards of Trustees of the Health System, as Plan Sponsors, oversee the design, structure, and prudent professional management of the Health System's Plans' assets, in accordance with Board approved investment policies, roles, responsibilities and authorities and more specifically the following:

- Establishing and modifying asset class targets with Board approved policy ranges,
- Approving the asset class rebalancing procedures,
- Hiring and terminating investment managers, and
- Monitoring performance of the investment managers, custodians and investment consultants.

The hierarchy and inputs to valuation techniques to measure fair value of the Plans' assets are the same as outlined in Note 6. In addition, the estimation of fair value of investments in private equity and hedge funds for which the underlying securities do not have a readily determinable value is made using the NAV per share or its equivalent as a practical expedient. The Health System's Plans own interests in these funds rather than in securities underlying each fund and, therefore, are

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generally required to consider such investments as Level 2 or 3, even though the underlying securities may not be difficult to value or may be readily marketable.

The following table sets forth the Health System's Plans' investments and deferred compensation plan assets that were accounted for at fair value as of June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Investments						
Cash and short-term investments	\$ 142	\$ 35,817	\$ -	\$ 35,959	Daily	1
U.S. government securities	48,285	-	-	48,285	Daily-Monthly	1-15
Domestic debt securities	144,131	220,202	-	364,333	Daily-Monthly	1-15
Global debt securities	470	74,676	-	75,146	Daily-Monthly	1-15
Domestic equities	158,634	17,594	-	176,228	Daily-Monthly	1-10
International equities	18,656	80,803	-	99,459	Daily-Monthly	1-11
Emerging market equities	382	39,881	-	40,263	Daily-Monthly	1-17
REIT funds	371	2,886	-	3,057	Daily-Monthly	1-17
Private equity funds	-	-	23	23	See Note 6	See Note 6
Hedge funds	-	-	44,250	44,250	Quarterly-Annual	60-96
Total Investments	\$ 369,051	\$ 471,659	\$ 44,273	\$ 884,983		

<i>(in thousands of dollars)</i>	2017				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Investments						
Cash and short-term investments	\$ 23	\$ 29,792	\$ -	\$ 29,815	Daily	1
U.S. government securities	7,875	-	-	7,875	Daily-Monthly	1-15
Domestic debt securities	140,498	243,427	-	383,925	Daily-Monthly	1-15
Global debt securities	426	90,389	-	90,815	Daily-Monthly	1-15
Domestic equities	154,597	16,938	-	171,535	Daily-Monthly	1-10
International equities	9,837	93,950	-	103,787	Daily-Monthly	1-11
Emerging market equities	2,141	45,351	-	47,492	Daily-Monthly	1-17
REIT funds	382	2,482	-	2,854	Daily-Monthly	1-17
Private equity funds	-	-	96	96	See Note 6	See Note 6
Hedge funds	-	-	40,507	40,507	Quarterly-Annual	60-96
Total Investments	\$ 315,759	\$ 522,339	\$ 40,603	\$ 878,701		

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The following table presents additional information about the changes in Level 3 assets measured at fair value for the years ended June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018		
	Hedge Funds	Private Equity Funds	Total
Balances at beginning of year	\$ 40,507	\$ 96	\$ 40,603
Sales	-	(51)	(51)
Net realized (losses) gains	-	(51)	(51)
Net unrealized gains	3,743	29	3,772
Balances at end of year	\$ 44,250	\$ 23	\$ 44,273

<i>(in thousands of dollars)</i>	2017		
	Hedge Funds	Private Equity Funds	Total
Balances at beginning of year	\$ 38,988	\$ 255	\$ 39,243
Sales	(880)	(132)	(1,012)
Net realized (losses) gains	33	36	69
Net unrealized gains	2,366	(63)	2,303
Balances at end of year	\$ 40,507	\$ 96	\$ 40,603

The total aggregate net unrealized gains (losses) included in the fair value of the Level 3 investments as of June 30, 2018 and 2017 were approximately \$14,743,000 and \$7,965,000, respectively. There were no transfers into and out of Level 3 measurements during the years ended June 30, 2018 and 2017.

There were no transfers into and out of Level 1 and 2 measurements due to changes in valuation methodologies during the years ended June 30, 2018 and 2017.

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The weighted average asset allocation for the Health System's Plans at June 30, 2018 and 2017 by asset category is as follows:

	2018	2017
Cash and short-term investments	4 %	3 %
U.S. government securities	5	1
Domestic debt securities	41	44
Global debt securities	9	10
Domestic equities	20	20
International equities	11	12
Emerging market equities	5	5
Hedge funds	5	5
	<u>100 %</u>	<u>100 %</u>

The expected long-term rate of return on plan assets is reviewed annually, taking into consideration the asset allocation, historical returns on the types of assets held, and the current economic environment. Based on these factors, it is expected that the pension assets will earn an average of 7.50% per annum.

The Health System is expected to contribute approximately \$20,480,000 to the Plans in 2019 however actual contributions may vary from expected amounts.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the years ending June 30 and thereafter:

(in thousands of dollars)

2019	\$	49,482
2020		51,913
2021		54,249
2022		56,728
2023		59,314
2024 – 2027		329,488

Defined Contribution Plans

The Health System has an employer-sponsored 401(a) plan for certain of its affiliates, under which the employer makes base, transition and discretionary match contributions based on specified percentages of compensation and employee deferral amounts. Total employer contributions to the plan of approximately \$38,563,000 and \$33,375,000 in 2018 and 2017, respectively, are included in employee benefits in the accompanying consolidated statements of operations and changes in net assets.

Various 403(b) and tax- sheltered annuity plans are available to employees of the Health System. Plan specifications vary by affiliate and plan. No employer contributions were made to any of these plans in 2018 and 2017 respectively.

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Postretirement Medical and Life Benefits

The Health System has postretirement medical and life benefit plans covering certain of its active and former employees. The plans generally provide medical or medical and life insurance benefits to certain retired employees who meet eligibility requirements. The plans are not funded.

Net periodic postretirement medical and life benefit (income) cost is comprised of the components listed below for the years ended June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Service cost	\$ 533	\$ 448
Interest cost	1,712	2,041
Net prior service income	(5,974)	(5,974)
Net loss amortization	10	689
	<u>\$ (3,719)</u>	<u>\$ (2,796)</u>

The following table sets forth the accumulated postretirement medical and life benefit obligation and amounts recognized in the Health System's consolidated financial statements at June 30, 2018 and 2017:

<i>(in thousands of dollars)</i>	2018	2017
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 42,277	\$ 51,370
Service cost	533	448
Interest cost	1,712	2,041
Benefits paid	(3,174)	(3,211)
Actuarial loss (gain)	1,233	(8,337)
Employer contributions	-	(34)
	<u>42,581</u>	<u>42,277</u>
Benefit obligation at end of year	<u>42,581</u>	<u>42,277</u>
Funded status of the plans	<u>\$ (42,581)</u>	<u>\$ (42,277)</u>
Current portion of liability for postretirement medical and life benefits	\$ (3,266)	\$ (3,174)
Long term portion of liability for postretirement medical and life benefits	<u>(39,315)</u>	<u>(39,103)</u>
Liability for postretirement medical and life benefits	<u>\$ (42,581)</u>	<u>\$ (42,277)</u>

For the years ended June 30, 2018 and 2017 the liability for postretirement medical and life benefits is included in the liability for pension and other postretirement plan benefits in the accompanying consolidated balance sheets.

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Amounts not yet reflected in net periodic postretirement medical and life benefit income and included in the change in unrestricted net assets are as follows:

<i>(in thousands of dollars)</i>	2018	2017
Net prior service income	\$ (15,530)	\$ (21,504)
Net actuarial loss	<u>3,336</u>	<u>2,054</u>
	<u>\$ (12,194)</u>	<u>\$ (19,450)</u>

The estimated amounts that will be amortized from unrestricted net assets into net periodic postretirement income in fiscal year 2019 for net prior service cost is \$5,974,000.

The following future benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the year ending June 30, 2019 and thereafter:

<i>(in thousands of dollars)</i>	
2019	\$ 3,266
2020	3,298
2021	3,309
2022	3,315
2023	3,295
2024-2027	15,156

In determining the accumulated postretirement medical and life benefit obligation, the Health System used a discount rate of 4.50% in 2018 and an assumed healthcare cost trend rate of 6.00%, trending down to 4.75% in 2021 and thereafter. Increasing the assumed healthcare cost trend rates by one percentage point in each year would increase the accumulated postretirement medical benefit obligation as of June 30, 2018 and 2017 by \$1,088,000 and \$1,067,000 and the net periodic postretirement medical benefit cost for the years then ended by \$81,000 and \$110,000, respectively. Decreasing the assumed healthcare cost trend rates by one percentage point in each year would decrease the accumulated postretirement medical benefit obligation as of June 30, 2018 and 2017 by \$996,000 and \$974,000 and the net periodic postretirement medical benefit cost for the years then ended by \$72,000 and \$96,000, respectively.

11. Professional and General Liability Insurance Coverage

D-H, along with Dartmouth College, Cheshire, NLH and MAHHC are provided professional and general liability insurance on a claims-made basis through Hamden Assurance Risk Retention Group, Inc. (RRG), a VT captive insurance company. Effective November 1, 2017 VNH is provided professional and general liability insurance coverage through RRG. RRG reinsures the majority of this risk to Hamden Assurance Company Limited (HAC), a captive insurance company domiciled in Bermuda and to a variety of commercial reinsurers. D-H and Dartmouth College have ownership interests in both HAC and RRG. The insurance program provides coverage to the covered institutions and named insureds on a modified claims-made basis which means coverage is triggered when claims are made. Premiums and related insurance deposits are actuarially determined based on asserted liability claims adjusted for future development. The reserves for outstanding losses are recorded on an undiscounted basis.

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APD are covered for malpractice claims under a modified claims-made policy purchased through New England Alliance for Health (NEAH). While APD remain in the current insurance program under this policy, the coverage year is based on the date the claim is filed; subject to a medical incident arising after the retroactive date (includes prior acts). The policy provides modified claims-made coverage for former insured providers for claims that relate to the employee's period of employment at APD and for services that were provided within the scope of the employee's duties. Therefore, when the employee leaves the corporation, tail coverage is not required.

Selected financial data of HAC and RRG, taken from the latest available audited and unaudited financial statements, respectively at June 30, 2018 and 2017 are summarized as follows:

	2018		
	HAC <i>(audited)</i>	RRG <i>(unaudited)</i>	Total
<i>(in thousands of dollars)</i>			
Assets	\$ 72,753	\$ 2,068	\$ 74,821
Shareholders' equity	13,620	50	13,670
Net income	-	(751)	(751)
	2017		
	HAC <i>(audited)</i>	RRG <i>(unaudited)</i>	Total
<i>(in thousands of dollars)</i>			
Assets	\$ 76,185	\$ 2,055	\$ 78,240
Shareholders' equity	13,620	801	14,421
Net income	-	(5)	(5)

12. Commitments and Contingencies

Litigation

The Health System is involved in various malpractice claims and legal proceedings of a nature considered normal to its business. The claims are in various stages and some may ultimately be brought to trial. While it is not feasible to predict or determine the outcome of any of these claims, it is the opinion of management that the final outcome of these claims will not have a material effect on the consolidated financial position of the Health System.

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Notes to Financial Statements
June 30, 2018 and 2017

Operating Leases and Other Commitments

The Health System leases certain facilities and equipment under operating leases with varying expiration dates. The Health System's rental expense totaled approximately \$14,096,000 and \$15,802,000 for the years ended June 30, 2018 and 2017, respectively.

Minimum future lease payments under noncancelable operating leases at June 30, 2018 were as follows:

(in thousands of dollars)

2019	\$	12,393
2020		10,120
2021		8,352
2022		5,175
2023		3,935
Thereafter		<u>10,263</u>
	\$	<u>50,238</u>

Lines of Credit

The Health System has entered into Loan Agreements with financial institutions establishing access to revolving loans ranging from \$2,000,000 up to \$30,000,000. Interest is variable and determined using LIBOR or the Wall Street Journal Prime Rate. The Loan Agreements are due to expire March 29, 2019. There was no outstanding balance under the lines of credit as of June 30, 2018 and 2017. Interest expense was approximately \$232,000 and \$915,000, respectively, and is included in the consolidated statements of operations and changes in net assets.

13. Functional Expenses

Operating expenses of the Health System by function are as follows for the years ended June 30, 2018 and 2017:

(in thousands of dollars)

	2018	2017
Program services	\$ 1,715,760	\$ 1,662,413
Management and general	303,527	311,820
Fundraising	<u>2,354</u>	<u>2,328</u>
	<u>\$ 2,021,641</u>	<u>\$ 1,976,561</u>

14. Subsequent Events

The Health System has assessed the impact of subsequent events through November 7, 2018, the date the audited consolidated financial statements were issued, and has concluded that there were no such events that require adjustment to the audited consolidated financial statements or disclosure in the notes to the audited consolidated financial statements other than as noted below.

Effective July 1, 2018, APD became the sole corporate member of APD LifeCare Center Inc. APD LifeCare Center Inc. owns and operates Harvest Hill, an assisted living facility, the Woodlands, a residential living community and the Elizabeth S. Hughes Care Unit, which provides hospice care.

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APD and APD LifeCare Center (LifeCare) were jointly liable for their Series 2010 Revenue Bonds; \$26,000,000 outstanding as of June 30, 2018. As described in Note 9 to the financial statements, APD's portion was approximately \$15,500,000 as of June 30, 2018. LifeCare's outstanding portion of approximately \$10,500,000 was appropriately excluded from the consolidated financial statements as LifeCare was not affiliated with any of the members of the Health System as of June 30, 2018. On August 15, 2018, APD joined the DHOG and simultaneously issued NHHEFA Revenue Bonds, Series 2018C. The Series 2018C Revenue Bonds were used primarily to refinance the joint (APD and LifeCare) Series 2010 Revenue Bonds.

Consolidating Supplemental Information – Unaudited

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Balance Sheets

June 30, 2018

<i>(in thousands of dollars)</i>	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Acute Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non-Oblig Group Affiliates	Eliminations	Health System Consolidated
Assets										
Current assets										
Cash and cash equivalents	\$ 134,634	\$ 22,544	\$ 6,688	\$ 9,419	\$ 6,604	\$ -	\$ 179,889	\$ 20,280	\$ -	\$ 200,169
Patient accounts receivable, net	-	176,981	17,183	6,302	5,055	-	207,521	11,707	-	219,228
Prepaid expenses and other current assets	11,964	143,693	6,551	5,253	2,313	(72,361)	97,813	4,706	(4,877)	97,502
Total current assets	146,598	343,418	30,422	22,974	13,972	(72,361)	485,023	36,753	(4,877)	518,699
Assets limited as to use										
Notes receivable, related party	554,771	616,929	17,438	12,821	10,829	-	658,025	48,099	-	706,124
Other investments for restricted activities	-	87,613	8,591	2,981	6,238	(554,771)	105,423	25,473	-	130,696
Property, plant, and equipment, net	36	443,154	66,759	42,438	17,356	-	569,743	37,578	-	607,321
Other assets	24,863	101,078	1,370	5,906	4,280	(10,970)	126,527	3,604	(21,346)	108,785
Total assets	\$ 726,276	\$ 1,592,192	\$ 124,580	\$ 87,120	\$ 52,675	\$ (638,102)	\$ 1,944,741	\$ 151,507	\$ (26,223)	\$ 2,070,025
Liabilities and Net Assets										
Current liabilities										
Current portion of long-term debt	\$ -	\$ 1,031	\$ 610	\$ 572	\$ 187	\$ -	\$ 2,600	\$ 864	\$ -	\$ 3,464
Current portion of liability for pension and other postretirement plan benefits	-	3,311	-	-	-	-	3,311	-	-	3,311
Accounts payable and accrued expenses	54,995	82,061	20,107	6,705	3,029	(72,361)	94,536	8,094	(4,877)	95,753
Accrued compensation and related benefits	-	106,485	5,730	2,487	3,796	-	118,496	7,078	-	125,576
Estimated third-party settlements	3,002	24,411	-	9,655	1,625	-	38,693	2,448	-	41,141
Total current liabilities	57,997	217,299	26,647	19,419	8,637	(72,361)	257,638	16,484	(4,877)	269,245
Notes payable, related party	-	527,346	-	27,425	-	(554,771)	-	-	-	-
Long-term debt, excluding current portion	644,520	52,878	25,354	1,179	11,270	(10,970)	724,231	28,744	-	752,875
Insurance deposits and related liabilities	-	54,818	465	155	240	-	55,476	40	-	55,516
Liability for pension and other postretirement plan benefits, excluding current portion	-	232,696	4,215	-	5,316	-	242,227	-	-	242,227
Other liabilities	-	85,577	1,107	1,405	-	-	88,089	38	-	88,127
Total liabilities	702,517	1,170,412	57,788	49,583	25,463	(638,102)	1,367,661	45,306	(4,877)	1,408,090
Commitments and contingencies										
Net assets										
Unrestricted	23,759	334,882	61,628	32,897	19,812	-	473,178	72,230	(21,306)	524,102
Temporarily restricted	-	54,666	4,964	493	1,540	-	61,663	20,816	(40)	82,439
Permanently restricted	-	32,232	-	4,147	5,860	-	42,239	13,155	-	55,394
Total net assets	23,759	421,780	66,792	37,537	27,212	-	577,080	106,201	(21,346)	661,935
Total liabilities and net assets	\$ 726,276	\$ 1,592,192	\$ 124,580	\$ 87,120	\$ 52,675	\$ (638,102)	\$ 1,944,741	\$ 151,507	\$ (26,223)	\$ 2,070,025

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Balance Sheets
June 30, 2018

<i>(in thousands of dollars)</i>	D-HH (Parent)	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
Assets									
Current assets									
Cash and cash equivalents	\$ 134,634	\$ 23,094	\$ 8,621	\$ 9,982	\$ 6,854	\$ 12,144	\$ 5,040	\$ -	\$ 200,169
Patient accounts receivable, net	-	178,981	17,183	8,302	5,109	7,996	3,657	-	219,228
Prepaid expenses and other current assets	11,964	144,755	5,520	5,278	2,294	4,443	488	(77,238)	97,502
Total current assets	146,598	344,830	31,324	23,560	14,057	24,583	9,185	(77,238)	516,899
Assets limited as to use									
Notes receivable, related party	554,771	-	-	-	-	-	-	(554,771)	-
Other investments for restricted activities	-	95,772	25,873	2,981	6,238	32	-	-	130,896
Property, plant, and equipment, net	36	445,829	70,607	42,920	19,065	25,725	3,139	-	607,321
Other assets	24,863	101,235	7,526	5,333	1,886	130	128	(32,316)	108,785
Total assets	\$ 726,276	\$ 1,622,694	\$ 152,768	\$ 87,615	\$ 53,108	\$ 60,062	\$ 31,807	\$ (684,325)	\$ 2,070,025
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	\$ -	\$ 1,031	\$ 810	\$ 572	\$ 245	\$ 739	\$ 67	\$ -	\$ 3,464
Current portion of liability for pension and other postretirement plan benefits	-	3,311	-	-	-	-	-	-	3,311
Accounts payable and accrued expenses	54,995	82,613	20,052	6,714	3,092	3,596	1,929	(77,238)	95,753
Accrued compensation and related benefits	-	106,485	5,730	2,487	3,831	5,814	1,229	-	125,576
Estimated third-party settlements	3,002	24,411	-	9,655	1,625	2,448	-	-	41,141
Total current liabilities	57,997	217,851	26,592	19,428	8,793	12,597	3,225	(77,238)	269,245
Notes payable, related party	-	527,346	-	27,425	-	-	-	(554,771)	-
Long-term debt, excluding current portion	644,520	52,878	25,354	1,179	11,593	25,792	2,629	(10,970)	752,975
Insurance deposits and related liabilities	-	54,616	465	155	241	-	39	-	55,516
Liability for pension and other postretirement plan benefits, excluding current portion	-	232,696	4,215	-	5,316	-	-	-	242,227
Other liabilities	-	85,577	1,117	1,405	-	28	-	-	88,127
Total liabilities	702,517	1,170,964	57,743	49,592	25,943	38,417	5,893	(642,979)	1,408,090
Commitments and contingencies									
Net assets									
Unrestricted	23,759	356,518	65,069	33,383	19,764	21,031	25,884	(21,306)	524,102
Temporarily restricted	-	60,836	19,196	493	1,539	415	-	(40)	82,439
Permanently restricted	-	34,376	10,760	4,147	5,862	219	30	-	55,394
Total net assets	23,759	451,730	95,025	38,023	27,165	21,665	25,914	(21,346)	661,935
Total liabilities and net assets	\$ 726,276	\$ 1,622,694	\$ 152,768	\$ 87,615	\$ 53,108	\$ 60,062	\$ 31,807	\$ (684,325)	\$ 2,070,025

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Balance Sheets
June 30, 2017

<i>(in thousands of dollars)</i>	Dartmouth-Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non-Oblig Group Affiliates	Eliminations	Health System Consolidated
Assets									
Current assets									
Cash and cash equivalents	\$ 27,328	\$ 10,845	\$ 7,797	\$ 6,682	\$ -	\$ 52,432	\$ 16,066	\$ -	\$ 68,498
Patient accounts receivable, net	193,733	17,723	8,539	4,659	-	224,654	12,606	-	237,260
Prepaid expenses and other current assets	93,816	6,945	3,650	1,351	(16,585)	89,177	8,034	(8,008)	89,203
Total current assets	314,877	35,313	19,986	12,672	(16,585)	366,263	36,706	(8,008)	394,961
Assets limited as to use									
Other investments for restricted activities	580,254	19,104	11,784	9,058	-	620,200	42,123	-	662,323
Property, plant, and equipment, net	86,398	4,784	2,833	6,079	-	100,074	24,455	-	124,529
Other assets	448,743	64,833	43,264	17,167	-	574,107	35,868	-	609,975
	89,650	2,543	5,965	4,095	(11,520)	90,733	27,874	(21,287)	87,120
Total assets	\$ 1,518,922	\$ 128,657	\$ 83,832	\$ 49,071	\$ (28,105)	\$ 1,751,377	\$ 166,826	\$ (29,295)	\$ 1,888,908
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	\$ 18,034	\$ 780	\$ 737	\$ 80	\$ -	\$ 17,831	\$ 726	\$ -	\$ 18,357
Line of credit	-	-	-	550	(550)	-	-	-	-
Current portion of liability for pension and other postretirement plan benefits	3,220	-	-	-	-	3,220	-	-	3,220
Accounts payable and accrued expenses	72,362	19,715	5,356	2,854	(16,585)	83,702	13,466	(8,008)	89,160
Accrued compensation and related benefits	99,638	5,428	2,335	3,448	-	110,849	4,062	-	114,911
Estimated third-party settlements	11,322	-	7,265	1,915	-	20,502	6,931	-	27,433
Total current liabilities	202,576	25,923	15,693	8,847	(17,135)	235,904	25,185	(8,008)	253,061
Long-term debt, excluding current portion									
Insurance deposits and related liabilities	545,100	28,185	26,402	10,976	(10,970)	597,693	18,710	-	616,403
Interest rate swaps	50,980	-	-	-	-	50,980	-	-	50,980
Liability for pension and other postretirement plan benefits, excluding current portion	17,606	-	3,310	-	-	20,916	-	-	20,916
Other liabilities	267,409	8,781	-	6,801	-	282,971	-	-	282,971
	77,622	2,636	1,426	-	-	81,684	8,864	-	90,548
Total liabilities	1,161,273	63,505	46,831	26,624	(28,105)	1,270,128	52,759	(8,008)	1,314,879
Commitments and contingencies									
Net assets									
Unrestricted	258,887	58,250	32,504	15,247	-	364,888	81,344	(21,285)	424,947
Temporarily restricted	68,473	4,902	345	1,363	-	75,083	19,836	(2)	94,917
Permanently restricted	31,289	-	4,152	5,837	-	41,278	12,887	-	54,165
Total net assets	358,649	63,152	37,001	22,447	-	481,249	114,067	(21,287)	574,029
Total liabilities and net assets	\$ 1,518,922	\$ 128,657	\$ 83,832	\$ 49,071	\$ (28,105)	\$ 1,751,377	\$ 166,826	\$ (29,295)	\$ 1,888,908

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Balance Sheets
June 30, 2017

<i>(in thousands of dollars)</i>	D-HH (Parent)	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
Assets									
Current assets									
Cash and cash equivalents	\$ 1,166	\$ 27,780	\$ 11,601	\$ 8,280	\$ 6,968	\$ 8,129	\$ 4,594	\$ -	\$ 68,498
Patient accounts receivable, net	-	193,733	17,723	8,539	4,681	8,878	3,706	-	237,260
Prepaid expenses and other current assets	3,884	94,305	5,899	3,671	1,340	4,179	518	(24,593)	89,203
Total current assets	5,050	315,798	35,223	20,490	12,989	21,186	8,818	(24,593)	394,961
Assets limited as to use	-	596,904	19,104	11,782	9,889	8,168	16,476	-	662,323
Other investments for restricted activities	6	94,210	21,204	2,833	6,079	197	-	-	124,529
Property, plant, and equipment, net	50	451,418	68,921	43,751	18,935	23,447	3,453	-	609,975
Other assets	23,866	89,819	8,586	5,378	1,812	283	183	(32,807)	97,120
Total assets	\$ 28,972	\$ 1,548,149	\$ 153,038	\$ 84,234	\$ 49,704	\$ 53,281	\$ 28,930	\$ (57,400)	\$ 1,888,908
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	\$ -	\$ 18,034	\$ 780	\$ 737	\$ 137	\$ 603	\$ 66	\$ -	\$ 18,357
Line of credit	-	-	-	-	550	-	-	(550)	-
Current portion of liability for pension and other postretirement plan benefits	-	3,220	-	-	-	-	-	-	3,220
Accounts payable and accrued expenses	5,996	72,806	19,718	5,365	2,946	5,048	1,874	(24,593)	89,160
Accrued compensation and related benefits	-	99,638	5,428	2,335	3,480	2,998	1,032	-	114,911
Estimated third-party settlements	6,165	11,322	-	7,265	1,915	766	-	-	27,433
Total current liabilities	12,161	203,020	25,926	15,702	9,028	9,415	2,972	(25,143)	253,081
Long-term debt, excluding current portion	-	545,100	26,185	26,402	11,356	15,633	2,697	(10,970)	616,403
Insurance deposits and related liabilities	-	50,960	-	-	-	-	-	-	50,960
Interest rate swaps	-	17,606	-	3,310	-	-	-	-	20,916
Liability for pension and other postretirement plan benefits, excluding current portion	-	267,409	8,761	-	6,801	-	-	-	282,971
Other liabilities	-	77,622	2,531	1,426	-	8,969	-	-	90,548
Total liabilities	12,161	1,161,717	63,403	46,840	27,185	34,017	5,669	(36,113)	1,314,879
Commitments and contingencies									
Net assets									
Unrestricted	16,367	278,695	60,758	32,897	15,319	18,965	23,231	(21,285)	424,947
Temporarily restricted	444	74,304	18,198	345	1,363	265	-	(2)	94,917
Permanently restricted	-	33,433	10,678	4,152	5,837	34	30	-	54,185
Total net assets	16,811	386,432	89,635	37,394	22,519	19,264	23,261	(21,287)	574,029
Total liabilities and net assets	\$ 28,972	\$ 1,548,149	\$ 153,038	\$ 84,234	\$ 49,704	\$ 53,281	\$ 28,930	\$ (57,400)	\$ 1,888,908

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Statements of Operations and Changes in Unrestricted Net Assets

Year Ended June 30, 2018

(In thousands of dollars)	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	New London Hospital Association	ML AcuteCare Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non-Debt Group Affiliates	Eliminations	Health System Consolidated
Unrestricted revenue and other support										
Net patient service revenue, net of contractual allowances and discounts	\$ -	\$ 1,475,314	\$ 218,738	\$ 80,488	\$ 52,014	\$ -	\$ 1,804,550	\$ 84,545	\$ -	\$ 1,889,095
Provisions for bad debts	-	31,358	10,857	1,554	1,440	-	45,318	2,048	-	47,367
Net patient service revenue less provisions for bad debts	-	1,443,956	207,881	78,934	50,574	-	1,758,231	82,497	-	1,851,728
Contracted revenue	(2,305)	87,291	-	-	2,188	(42,870)	54,285	718	(32)	54,880
Other operating revenues	8,789	134,481	3,385	4,189	1,814	(10,554)	143,854	6,878	(1,085)	148,848
Net assets released from restrictions	858	11,805	820	52	44	-	12,979	482	-	13,461
Total unrestricted revenue and other support	8,152	1,687,313	208,754	83,153	54,801	(53,424)	1,989,549	100,673	(1,118)	2,088,104
Operating expenses										
Salaries	-	808,344	105,807	30,380	24,854	(21,542)	845,823	42,835	1,805	888,263
Employee benefits	-	181,833	28,343	7,252	7,000	(5,385)	218,043	10,221	418	229,883
Medical supplies and medications	-	289,327	31,293	8,181	3,855	-	328,836	16,185	-	345,021
Purchased services and other	8,509	215,073	33,065	13,587	13,880	(19,384)	284,800	29,390	(2,818)	291,372
Medicaid enhancement tax	-	53,044	8,070	2,858	1,744	-	65,517	2,175	-	67,692
Depreciation and amortization	23	86,073	10,217	3,934	2,030	-	82,277	2,501	-	84,778
Interest	8,684	15,772	1,004	881	224	(8,882)	17,783	1,039	-	18,822
Total operating expenses	17,216	1,627,486	217,589	64,834	52,867	(55,203)	1,824,878	87,556	(794)	2,021,641
Operating (loss) margin	(9,064)	58,847	(7,845)	(1,781)	1,734	1,779	44,670	3,117	(324)	47,463
Non-operating (losses) gains										
Investment (losses) gains	(28)	33,628	1,408	1,151	658	(198)	36,821	3,588	-	40,387
Other, net	(1,384)	(2,588)	-	1,278	286	(1,581)	(4,022)	733	381	(2,908)
Loss on early extinguishment of debt	-	(13,908)	-	(305)	-	-	(14,214)	-	-	(14,214)
Loss on swap termination	-	(14,247)	-	-	-	-	(14,247)	-	-	(14,247)
Total non-operating (losses) gains, net	(1,380)	2,873	1,408	2,122	1,124	(1,779)	4,358	4,299	381	9,018
(Deficiency) excess of revenue over expenses	(10,454)	62,720	(6,437)	341	2,858	-	49,828	7,418	37	56,481
Unrestricted net assets										
Net assets released from restrictions (Note 7)	-	16,038	-	4	252	-	16,294	19	-	16,313
Change in funded status of pension and other postretirement benefits	-	4,300	2,827	-	1,127	-	8,254	-	-	8,254
Net assets transferred to (from) affiliates	17,791	(25,355)	7,188	48	328	-	-	-	-	-
Additional paid in capital	-	-	-	-	-	-	-	56	(58)	-
Other changes in net assets	-	-	-	-	-	-	-	(185)	-	(185)
Change in fair value on interest rate swaps	-	4,190	-	-	-	-	4,190	-	-	4,190
Change in funded status of interest rate swaps	-	14,102	-	-	-	-	14,102	-	-	14,102
Increase in unrestricted net assets	\$ 7,337	\$ 75,995	\$ 3,578	\$ 383	\$ 4,565	\$ -	\$ 81,868	\$ 7,308	\$ (21)	\$ 89,155

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Statements of Operations and Changes in Unrestricted Net Assets

Year Ended June 30, 2018

<i>(In thousands of dollars)</i>	D-HH (Parent)	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
Unrestricted revenue and other support									
Net patient service revenue, net of contractual allowances and discounts	\$ -	\$ 1,475,314	\$ 216,730	\$ 60,486	\$ 52,014	\$ 71,458	\$ 23,067	\$ -	\$ 1,899,095
Provisions for bad debts	-	31,358	10,957	1,554	1,440	1,680	368	-	47,367
Net patient service revenue less provisions for bad debts	-	1,443,956	205,789	58,932	50,574	69,778	22,719	-	1,851,728
Contracted revenue	(2,305)	98,007	-	-	2,189	-	-	(42,902)	54,998
Other operating revenue	9,799	137,242	4,061	4,166	3,168	1,697	453	(11,640)	148,946
Net assets released from restrictions	658	11,984	620	52	44	103	-	-	13,461
Total unrestricted revenue and other support	6,152	1,691,189	210,450	63,150	55,955	71,578	23,172	(54,542)	2,089,104
Operating expenses									
Salaries	-	808,344	105,807	30,360	25,582	29,215	12,082	(19,837)	969,293
Employee benefits	-	181,833	28,343	7,252	7,182	7,408	2,853	(4,996)	229,863
Medical supplies and medications	-	289,327	31,293	6,181	3,057	8,484	1,709	-	340,031
Purchased services and other	8,512	218,690	33,431	13,432	14,354	19,220	5,945	(22,212)	291,372
Medical enhancement tax	-	53,044	8,070	2,656	1,743	2,178	-	-	67,692
Depreciation and amortization	23	66,073	10,357	3,939	2,145	1,831	410	-	84,778
Interest	8,684	15,772	1,004	981	223	975	65	(8,682)	18,622
Total operating expenses	17,219	1,631,083	218,105	64,784	54,276	69,307	22,864	(55,997)	2,021,841
Operating (loss) margin	(9,067)	60,106	(7,655)	(1,634)	1,679	2,271	306	1,456	47,463
Non-operating (losses) gains									
Investment (losses) gains	(26)	35,177	1,954	1,097	787	203	1,390	(198)	40,387
Other, net	(1,364)	(2,589)	(3)	1,278	273	(223)	952	(1,220)	(2,906)
Loss on early extinguishment of debt	-	(13,908)	-	(305)	-	-	-	-	(14,214)
Loss on swap termination	-	(14,247)	-	-	-	-	-	-	(14,247)
Total non-operating (losses) gains, net	(1,390)	4,422	1,951	2,068	1,060	(20)	2,345	(1,418)	9,018
(Deficiency) excess of revenue over expenses	(10,457)	64,528	(5,704)	434	2,739	2,251	2,653	37	56,481
Unrestricted net assets									
Net assets released from restrictions (Note 7)	-	16,058	-	4	251	-	-	-	16,313
Change in funded status of pension and other postretirement benefits	-	4,300	2,627	-	1,127	-	-	-	8,254
Net assets transferred to (from) affiliates	17,791	(25,355)	7,188	48	328	-	-	-	-
Additional paid in capital	56	-	-	-	-	-	-	(58)	-
Other changes in net assets	-	-	-	-	-	(185)	-	-	(185)
Change in fair value on interest rate swaps	-	4,190	-	-	-	-	-	-	4,190
Change in funded status of interest rate swaps	-	14,102	-	-	-	-	-	-	14,102
Increase in unrestricted net assets	\$ 7,392	\$ 77,823	\$ 4,311	\$ 486	\$ 4,445	\$ 2,066	\$ 2,653	\$ (21)	\$ 99,155

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Statements of Operations and Changes in Unrestricted Net Assets

Year Ended June 30, 2017

(In thousands of dollars)	Dartmouth-Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Acute Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non-Oblig Group Affiliates	Eliminations	Health System Consolidated
Unrestricted revenue and other support									
Net patient service revenue, net of contractual allowances and discounts	\$ 1,447,951	\$ 214,265	\$ 59,928	\$ 48,072	\$ (19)	\$ 1,770,207	\$ 88,965	\$ -	\$ 1,859,192
Provisions for bad debts	42,953	14,125	2,010	1,705	-	60,803	2,842	-	63,645
Net patient service revenue less provisions for bad debts	1,404,998	200,140	57,918	46,367	(19)	1,709,404	86,143	-	1,795,547
Contracted revenue	88,620	-	-	1,861	(41,771)	48,710	(4,895)	(44)	43,671
Other operating revenue	104,811	3,045	3,839	1,582	(1,148)	111,939	6,418	620	119,177
Net assets released from restrictions	9,550	639	116	61	-	10,396	756	-	11,122
Total unrestricted revenue and other support	1,607,779	203,824	61,873	49,881	(42,938)	1,880,419	88,322	776	1,969,517
Operating expenses									
Salaries	787,644	102,769	30,311	23,549	(21,784)	922,489	42,327	1,536	966,352
Employee benefits	202,178	26,632	7,071	5,523	(5,322)	236,082	6,382	381	244,855
Medical supplies and medications	257,100	30,692	6,143	2,905	(273)	296,567	9,513	-	306,080
Purchased services and other	206,671	28,068	12,795	13,224	(17,325)	245,433	45,331	(959)	299,805
Medicaid enhancement tax	50,118	7,800	2,823	1,620	-	62,461	2,808	-	65,069
Depreciation and amortization	66,067	10,238	3,881	2,138	-	82,324	2,238	-	84,562
Interest	17,352	1,127	819	249	(208)	19,338	500	-	19,838
Total operating expenses	1,589,130	207,326	63,943	49,208	(44,913)	1,864,694	110,909	958	1,976,561
Operating margin (loss)	18,649	(3,502)	(2,070)	673	1,975	15,725	(22,587)	(182)	(7,044)
Non-operating gains (losses)									
Investment gains (losses)	42,484	1,378	1,570	964	(209)	46,207	4,849	-	51,056
Other, net	(3,003)	-	(879)	570	(1,787)	(5,079)	740	186	(4,153)
Contribution revenue from acquisition	-	-	-	-	-	-	20,215	-	20,215
Total non-operating gains (losses), net	39,481	1,378	691	1,554	(1,978)	41,128	25,804	186	67,118
Excess (deficiency) of revenue over expenses	58,130	(2,124)	(1,379)	2,227	(1)	56,853	3,217	4	60,074
Unrestricted net assets									
Net assets released from restrictions (Note 7)	983	-	9	442	-	1,434	405	-	1,839
Change in funded status of pension and other postretirement benefits	(5,297)	4,031	-	(321)	-	(1,587)	-	-	(1,587)
Net assets transferred (from) to affiliates	(18,380)	900	143	966	-	(16,351)	16,351	-	-
Additional paid in capital	-	-	-	-	-	-	6,358	(6,358)	-
Other changes in net assets	-	-	-	(2,286)	-	(2,286)	(1,078)	-	(3,364)
Change in fair value on interest rate swaps	6,418	-	1,337	47	-	7,802	-	-	7,802
Increase in unrestricted net assets	\$ 41,854	\$ 2,807	\$ 110	\$ 1,065	\$ (1)	\$ 45,805	\$ 25,254	\$ (6,355)	\$ 64,764

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Statements of Operations and Changes in Unrestricted Net Assets

Year Ended June 30, 2017

(In thousands of dollars)	D-HH (Parent)	D-H and Subsidiaries	Cheehire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
Unrestricted revenue and other support									
Net patient service revenue, net of contractual allowances and discounts	\$ -	\$ 1,447,961	\$ 214,265	\$ 56,928	\$ 48,072	\$ 65,635	\$ 23,150	\$ (19)	\$ 1,859,192
Provisions for bad debts	-	42,963	14,125	2,010	1,705	2,275	587	-	63,645
Net patient service revenue less provisions for bad debts	-	1,404,998	200,140	57,918	46,367	63,360	22,563	(19)	1,795,547
Contracted revenue	(5,902)	89,427	-	-	1,861	-	-	(41,815)	43,671
Other operating revenue	673	108,775	3,264	3,637	3,038	1,537	381	(328)	119,177
Net assets released from restrictions	-	10,200	639	116	61	106	-	-	11,122
Total unrestricted revenue and other support	(5,129)	1,611,400	204,043	61,671	51,327	65,203	22,964	(42,162)	1,989,517
Operating expenses									
Salaries	1,009	787,644	102,789	30,311	24,273	29,397	11,197	(20,248)	968,352
Employee benefits	293	202,178	26,832	7,071	5,686	5,532	2,404	(4,841)	244,655
Medical supplies and medications	-	257,100	30,892	6,143	2,905	7,790	1,753	(273)	306,080
Purchased services and other	16,021	212,414	29,902	12,653	13,626	16,564	6,907	(18,282)	289,805
Medical enhancement tax	-	50,118	7,800	2,923	1,620	2,608	-	-	65,069
Depreciation and amortization	26	66,067	10,396	3,886	2,242	1,532	413	-	84,562
Interest	-	17,352	1,127	819	249	467	33	(209)	19,638
Total operating expenses	17,349	1,592,873	209,318	63,606	50,601	63,860	22,707	(43,953)	1,976,561
Operating (loss) margin	(22,478)	18,527	(5,275)	(1,935)	726	1,343	257	1,791	(7,044)
Non-operating gains (losses)									
Investment (losses) gains	(321)	44,746	2,124	1,516	1,045	439	1,716	(209)	51,056
Other, net	-	(3,003)	-	(879)	581	(161)	888	(1,579)	(4,153)
Contribution revenue from acquisition	20,215	-	-	-	-	-	-	-	20,215
Total non-operating gains, net	19,894	41,743	2,124	637	1,626	278	2,604	(1,788)	67,118
(Deficiency) excess of revenue over expenses	(2,584)	60,270	(3,151)	(1,298)	2,352	1,621	2,661	3	60,074
Unrestricted net assets									
Net assets released from restrictions (Note 7)	-	1,075	-	9	442	158	155	-	1,839
Change in funded status of pension and other postretirement benefits	-	(5,297)	4,031	-	(321)	-	-	-	(1,587)
Net assets transferred (from) to affiliates	(3,864)	(18,380)	900	143	986	-	20,215	-	-
Additional paid in capital	6,358	-	-	-	-	-	-	(6,358)	-
Other changes in net assets	-	-	-	-	(2,296)	(1,076)	-	-	(3,364)
Change in fair value on interest rate swaps	-	6,418	-	1,337	47	-	-	-	7,802
(Decrease) increase in unrestricted net assets	\$ (89)	\$ 44,066	\$ 1,780	\$ 191	\$ 1,220	\$ 701	\$ 23,231	\$ (6,356)	\$ 64,764

Dartmouth-Hitchcock Health and Subsidiaries
Notes to Supplemental Consolidating Information
June 30, 2018 and 2017

1. Basis of Presentation

The accompanying supplemental consolidating information includes the consolidating balance sheet and the consolidating statement of operations and changes in unrestricted net assets of D-HH and subsidiaries. All intercompany accounts and transactions between D-HH and subsidiaries have been eliminated. The consolidating information presented is prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America consistent with the consolidated financial statements. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements and is not required as part of the basic financial statements.

Schedule of Expenditures of Federal Awards

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Federal Program	CFDA number	Award number/pass-through identification number	Funding source	Pass-through entity	Total expenditures	Amount passed subrecipients
Research and Development Cluster						
U.S. Department of Health and Human Services Research on Healthcare Costs, Quality and Outcomes	93.228	1P30HS024403	Direct		\$ 701,304	\$ 87,600
Total U.S. Department of Health and Human Services					701,304	87,600
Total Research and Development Cluster					701,304	87,600
Other Sponsored Programs						
U.S. Department of Justice						
Crime Victim Assistance	18.575	Not Provided	Pass-Through	(1)	148,032	-
Crime Victim Assistance	18.575	Not Provided	Pass-Through	(1)	19,897	-
Subtotal 18.575					168,929	-
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers						
Total U.S. Department of Justice	18.758	Not Provided	Pass-Through	(2)	7,400	-
					173,329	-
National Endowment for the Arts						
Promotion of the Arts Partnership Agreements	45.025	98,529,853	Pass-Through	(7)	9,580	-
Total National Endowment for the Arts					9,580	-
U.S. Department of Education						
Race to the Top Early Learning Challenge	84.412	03440-34119-18-ELCG24	Pass-Through	(8)	22,830	-
Race to the Top Early Learning Challenge	84.412	03420-8951S	Pass-Through	(8)	98,578	-
Total U.S. Department of Education					119,408	-
U.S. Department of Health and Human Services						
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements						
Maternal and Child Health Federal Consolidated Programs	93.074	05-95-90-901010-5362-102-500731	Pass-Through	(3)	137,024	-
Coordinated Services and Access to Research for Women, Infants, Children	93.110	H30MC24048	Pass-Through	(4)	22,820	-
Coordinated Services and Access to Research for Women, Infants, Children	93.153	H12HA31112	Direct		328,309	-
Coordinated Services and Access to Research for Women, Infants, Children	93.153	5H12HA24881-03-00	Pass-Through	(5)	41,098	-
Subtotal 93.153					369,405	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance						
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	05-95-90-901010-5362-102-500731	Pass-Through	(3)	197,881	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	03420-A18055S, 03420-A17105S	Pass-Through	(6)	221,190	-
Subtotal 93.243					419,071	-
Drug Free Communities Support Program Grants						
Centers for Disease Control and Prevention: Investigations, Technical Assistance	93.278	1H79SP020382	Direct		114,190	-
Partnerships to Improve Community Health	93.283	Not Provided	Pass-Through	(3)	10,122	-
Health Care Innovation Awards (HCIA)	93.331	NUS8DP005821	Direct		125,214	-
Health Care Innovation Awards (HCIA)	93.610	GT-32013-04	Pass-Through	(9)	44,411	-
Affordable Care Act Implementation Support for State Demonstrations to Integrate Care for Medicare-Medicaid Enrollees	93.628	05-95-90-901010-5362-102-500731	Pass-Through	(3)	84,083	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	05-95-90-901010-5362-102-500731	Pass-Through	(3)	53,950	-
Opioid STR	93.788	05-95-92-920510-25590000	Pass-Through	(3)	219,760	-
Organized Approaches to Increase Colorectal Cancer Screening	93.800	1NU58DP006088	Direct		838,452	-
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817	03420-8755S	Pass-Through	(6)	2,278	-
Maternal, Infant and Early Childhood Home Visiting Grant Program	93.870	03420-8951S	Pass-Through	(6)	217,618	-
National Bioterrorism Hospital Preparedness Program	93.889	03420-7099S	Pass-Through	(6)	2,851	-
National Bioterrorism Hospital Preparedness Program	93.889	Not Provided	Pass-Through	(3)	8,152	-
National Bioterrorism Hospital Preparedness Program	93.889	Not Provided	Pass-Through	(3)	60,483	-
Subtotal 93.889					71,486	-

See accompanying notes to the Schedule of Expenditures of Federal Awards

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Federal Program	CFDA number	Award number/pass-through identification number	Funding source	Pass-through entity	Total expenditures	Amount passed subrecipients
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement Program	93.912	D06RH31057	Direct		237,563	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	2H76HA00612-12-01	Pass-Through	(5)	200,232	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	H76HA31654	Direct		74,968	-
Subtotal 93.918					275,220	-
Block Grants for Community Mental Health Services	93.958	05-95-922010-4120-102	Pass-Through	(3)	66,772	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	03420-A18033S	Pass-Through	(6)	54,958	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	05-95-90-901010-5362-102-500731	Pass-Through	(3)	162,033	-
Subtotal 93.959					218,991	-
Maternal and Child Health Services Block Grant to the States Medicaid Cluster	93.994	Not Provided	Pass-Through	(3)	120,523	-
Medical Assistance Program	93.778	05-95-48-481010-33170000	Pass-Through	(3)	3,067,596	290,484
Medical Assistance Program	93.778	05-95-47-470010-52010000	Pass-Through	(3)	925,674	-
Medical Assistance Program	93.778	03420-8996S	Pass-Through	(6)	59,481	-
Medical Assistance Program	93.778	03410-1730-16	Pass-Through	(6)	106,630	-
Total Medicaid Cluster					4,161,383	290,484
Total U.S Department of Health and Human Services Corporation for National and Community Service AmeriCorps	94.006	17ACHNH0010001	Pass-Through	(10)	39,961	-
Total Corporation for National and Community Service					39,961	-
Total Federal Other Sponsored Programs					8,150,442	290,484
Total Expenditures of Federal Awards					\$ 8,851,746	\$ 378,084

Pass-through entities referenced in this schedule are indicated below.

- (1) New Hampshire Department of Justice
- (2) National Children's Alliance
- (3) New Hampshire Department of Health and Human Services
- (4) Icahn School of Medicine at Mount Sinai
- (5) Trustees of Dartmouth College
- (6) Vermont Department of Health
- (7) New Hampshire State Council on the Arts
- (8) Vermont Agency of Human Services
- (9) Association of American Medical Colleges
- (10) Volunteer New Hampshire

See accompanying notes to the Schedule of Expenditures of Federal Awards

Dartmouth-Hitchcock Health and Subsidiaries
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the activity of federal award programs administered by Dartmouth-Hitchcock Health and Subsidiaries (the "Health System") as defined in the notes to the consolidated financial statements and is presented on an accrual basis. The purpose of this Schedule is to present a summary of those activities of the Health System for the year ended June 30, 2018 which have been financed by the United States government ("federal awards"). For purposes of this Schedule, federal awards include all federal assistance entered into directly between the Health System and the federal government and subawards from nonfederal organizations made under federally sponsored agreements. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Pass-through entity identification numbers and CFDA numbers have been provided where available.

Visiting Nurse and Hospice of NH and VT ("VNH") received a Community Facilities Loan, CFDA #10.766, of which the proceeds were expended in the prior fiscal year. The VNH had an outstanding balance of \$2,696,512 as of June 30, 2018. As this loan was related to a project that was completed in the prior audit period and the terms and conditions do not impose continued compliance requirements other than to repay the loan, we have properly excluded the outstanding loan balance from the Schedule.

2. Indirect Expenses

Indirect costs are charged to certain federal grants and contracts at a federally approved predetermined indirect rate, negotiated with the Division of Cost Allocation. The predetermined rate provided for the year ended June 30, 2018 was 29.3%. Indirect costs are included in the reported federal expenditures.

3. Related Party Transactions

The Health System has an affiliation agreement with Dartmouth College dated June 4, 1996 in which the Health System and the Geisel School of Medicine at Dartmouth College affirm their mutual commitment to providing high quality medical care, medical education and medical research at both organizations. Pursuant to this affiliation agreement, certain clinical faculty of the Health System participate in federal research programs administered by Dartmouth College. During the fiscal year ended June 30, 2018, Health System expenditures, which Dartmouth College reimbursed, totaled \$3,979,033. Based on the nature of these transactions, the Health System and Dartmouth College do not view these arrangements to be subrecipient transactions but rather view them as Dartmouth College activity. Accordingly, this activity does not appear in the Health System's schedule of expenditures of federal awards for the year ended June 30, 2018.

Part II
Reports on Internal Control and Compliance



**Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards**

To the Board of Trustees of
Dartmouth-Hitchcock Health and subsidiaries

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Dartmouth-Hitchcock Health and its subsidiaries (the "Health System"), which comprise the consolidated balance sheet as of June 30, 2018, and the related consolidated statements of operations, changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 7, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Health System's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Health System's internal control. Accordingly, we do not express an opinion on the effectiveness of the Health System's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Health System's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Health System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Priscilla Cooper LLP

Boston, Massachusetts

November 7, 2018



Report of Independent Auditors on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance

To the Board of Trustees of
Dartmouth-Hitchcock Health and subsidiaries

Report on Compliance for Each Major Federal Program

We have audited Dartmouth-Hitchcock Health and its subsidiaries' (the "Health System") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Health System's major federal programs for the year ended June 30, 2018. The Health System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Health System's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Health System's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Health System's compliance.

Opinion on Each Major Federal Program

In our opinion, Dartmouth-Hitchcock Health and its subsidiaries complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the Health System is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Health System's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Health System's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Priscilla House Cooper LLP

Boston, Massachusetts
November 7, 2018

Part III
Findings and Questioned Costs

**Dartmouth-Hitchcock and Subsidiaries
Schedule of Findings and Questioned Costs
Year Ended June 30, 2018**

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weakness (es)?	None reported
Noncompliance material to financial statements	No

Federal Awards

Internal control over major programs	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weakness (es)?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major programs

CFDA Number	Name of Federal Program or Cluster
93.778	Medical Assistance Program
93.153	Coordinated Services and Access to Research for Women, Infants, Children, and Youth
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

II. Financial Statement Findings

None Noted

III. Federal Award Findings and Questioned Costs

None Noted

Dartmouth-Hitchcock and Subsidiaries
Summary Schedule of the Status of Prior Audit Findings
Year Ended June 30, 2018

There are no findings from prior years that require an update in this report.

DARTMOUTH-HITCHCOCK (D-H) | DARTMOUTH-HITCHCOCK HEALTH (D-HH)

BOARDS OF TRUSTEES AND OFFICERS

Effective: April 1, 2019

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<p>Duane A. Compton, PhD MHHM/DHC/D-HH Trustee <i>Ex-Officio: Dean, Geisel School of Medicine at Dartmouth</i></p>	<p>Charles G. Plimpton, MBA MHHM/DHC/D-HH Boards' Treasurer & Secretary <i>Retired Investment Banker</i></p>
<p>William J. Conaty MHHM/DHC/D-HH Trustee <i>President, Conaty Consulting, LLC</i></p>	<p>Kurt K. Rhyhart, MD, FACS MHHM/DHC (D-H Lebanon Physician Trustee Representative) Trustee <i>DHMC Trauma Medical Director and Divisional Chief of Trauma and Acute Care Surgery</i></p>
<p>Joanne M. Conroy, MD MHHM/DHC/D-HH Trustee <i>Ex-Officio: CEO & President, D-H/D-HH</i></p>	<p>Kari M. Rosenkranz, MD MHHM/DHC (Lebanon Physician) Trustee <i>Associate Professor of Surgery; Medical Director, Comprehensive Breast Program; and Vice Chair for Education, Department of Surgery</i></p>
<p>Vincent S. Conti, MHA MHHM/DHC/D-HH Boards' Chair <i>Retired President & CEO, Maine Medical Center</i></p>	<p>Edward Howe Stansfield, III, MA MHHM/DHC/D-HH Boards' Vice Chair <i>Senior VP, Resident Director for the Hanover, NH Bank of America/Merrill Lynch Office</i></p>
<p>Paul P. Danos, PhD MHHM/DHC/D-HH Trustee <i>Dean Emeritus; Laurence F. Whittemore Professor of Business Administration, Tuck School of Business at Dartmouth</i></p>	<p>Pamela Austin Thompson, MS, RN, CENP, FAAN MHHM/DHC/D-HH Trustee <i>Chief executive officer emeritus of the American Organization of Nurse Executives (AONE)</i></p>
<p>Senator Judd A. Gregg MHHM/DHC Trustee <i>Senior Advisor to SIFMA</i></p>	<p>Jon W. Wahrenberger, MD, FAHA, FACC MHHM/DHC (Lebanon Physician) Trustee <i>Clinical Cardiologist, Cardiovascular Medicine</i></p>
<p>Roberta L. Hines, MD MHHM/DHC Trustee <i>Nicholas M. Greene Professor and Chair, Dept. of Anesthesiology, Yale School of Medicine</i></p>	<p>Marc B. Wolpow, JD, MBA MHHM/DHC/D-HH Trustee <i>Co-Chief Executive Officer of Audax Group</i></p>
<p>Cherie A. Holmes, MD, MSc MHHM/DHC/(Community Group Practice) Trustee <i>Medical Director, Acute Care Services, D-H -Keene/Cheshire Medical Center</i></p>	<p>Steven "Steve" A. Paris, MD D-HH Trustee (NOT a D-H Trustee) <i>Regional Medical Director, Community Group Practices (CGPs)</i></p>
<p>Laura K. Landy, MBA MHHM/DHC/D-HH Trustee <i>President and CEO of the Fannie E. Rippel Foundation</i></p>	



Debra Samaha

Education

2008-2013 Master of Public Health. University of New Hampshire-Manchester
1993 - 1996 Bachelor of Science in Nursing. University of New Hampshire, Durham, NH

- Graduated from Concord Hospital School of Nursing in 1978
- Attended New Hampshire Technical Institute in Concord, NH
- Attended San Diego State University, San Diego, Calif
- Attended Diablo Valley Junior College in California

Professional experience

July 2016-Present Injury Prevention Center at Children's Hospital at Dartmouth-Hitchcock
Program Manager

2009-2016 Dartmouth College/Geisel School of Medicine/Injury Prevention Center
Program Director Lebanon, NH

1978 - 2009 Concord Hospital Concord, NH

Staff Nurse/ Injury Prevention Coordinator

- Worked predominately as a staff nurse for eighteen of my thirty-nine years in nursing. Due to my passion for prevention my role has evolved over the years from nursing staff to the field of injury control.

Additional professional activities

Injury Prevention Co-Chairperson for New Hampshire Emergency Nurses Association

Coordinated the Greater Concord Safe Community Coalition and secured grant funding for this community initiative from inception until June 2008 and currently serve on the Advisory Board. Served as a public member on The Governor's Commission for the Prevention, Intervention and Treatment of Alcohol and Drug Abuse for three years. Involved with the Concord Area Substance Abuse Coalition since it was created and resigned this position when assuming new role in 2009. Current member of the following groups: Suicide Prevention Council, Abusive Head Trauma Coalition in NH, NH Safe Sleep Work Group, Buckle Up NH, Safe Kids NH, Child Fatality Review Team, Sudden Unexpected Infant Death, and Sudden Death in Youth Review Teams. Member of the NH Safe Routes to School Advisory Committee. Current Co-Chair of the NH Falls Risk Reduction Task Force.

As a certified Child Passenger Safety Technician I have been active in child passenger safety and occupant protection issues and helped plan the first Four-Day Technical Training for Child Passenger Safety Technicians in New Hampshire.

Worked diligently with community PTO's and schools to promote bike safety and safe routes to school projects for children in the Concord Community. I have attended National Safe Routes to School training and worked to secure funding for Concord in the first round of NH DOT Safe Routes funding.

Coordinated a Refugee Injury Prevention Group in the Greater Concord Area

Attended Lean Six Sigma Process Improvement Training in Spring 2009

Professional memberships

Emergency Nurses Association, NH Public Health Association

April Simonds

Qualification Summary

- Motivated business professional with over 28 years of experience in general office functions with an unwavering commitment to customer service
- Ability to handle changes in priorities and increased responsibilities on a daily basis
- Excellent communication and interpersonal skills and a strong work ethic
- Proven experience working with the public delivering exceptional customer service

Career Summary

Dartmouth Hitchcock Medical Center
Program Assistant, Injury Prevention Center

2016-current

- Performs a variety of administrative assistance in support of the Program
- Provides operational assistance to the Program Manager and Program Staff
- Manages program documentation
- Coordinates conference calls and travel arrangements
- Assists with Grant proposal submission
- Supports and participates with a variety of community outreach events
- Tracks grant budget and expenditures

Dartmouth Hitchcock Memorial Hospital
Financial Counselor

2012-2016

- Conducts research to resolve a variety of inquiries, customer issues and complaints
- Proven ability to contribute positively in a team oriented environment
- Worked collaboratively with all necessary internal departments to resolve billing, patient issues, including Care Management and Risk Management
- Managed a high-volume work load within a deadline driven environment
- Prepared and processed daily deposits, transferred funds/credit as appropriate
- Pre-registered patients for upcoming appointments
- Counseled patients daily to review their financial situation and determine the best recommendation •
- Processed a high volume of financial assistance applications with great attention to detail and exceeded expected turn-around time
- Collections of funds for high dollar elective procedures
- Ability to effectively communicate with patients and faculty in difficult situations to ensure a positive outcome
- Excellent time management and continually changed priorities as needed

New London Hospital New London, NH
Financial Representative

2011-2012

- Responsible for extensive follow through on all delinquent accounts
- Investigated and followed through on a broad range of inquiries, discrepancies and complaints
- Prepared and processed daily deposits with accuracy
- Assisted patients needing help completing financial application and shared information and advice where to go to for additional help with fuel assistance, Medicaid, etc
- Processed financial applications with accuracy and with great attention to detail and improved turn-around time
- Sent patients itemized bills and reviewed billing to help them have a better understanding of our billing processes

Dartmouth College, Department of Psychiatry, Lebanon, NH
Credit & Collections Specialist

2001-2011

- Responded to and resolved a broad range of client questions, inquiries and discrepancies
- Resolved patient issues and complaints with integrity and to ensure a positive customer experience
- Ability to effectively communicate with patients and faculty in difficult customer service situations
- Ability to effectively and respectfully communicate and facilitate communications between DHPA and DHMC and other departments as appropriate, including office of Care Management and Risk Management
- Directly involved in developing and implementing a pre-collections policy to increase revenue
- Created Financial reports to provide analysis to PFS Manager on a monthly basis
- Met with all new staff members to discuss and train on billing and collection policies
- Prepared monthly excel reports tracking collections and uncollected debt for Manager review

West Central Behavior Services Lebanon, NH
Client Financial Representative

1997-2001

- Monitored and oversaw all office functions regarding billing and collections for two facilities
- Responsible for accounts receivable, insurance billing, denial management, charge entry cash posting and claims processing
- Investigated reimbursement issues as they related to private pay and contracted accounts
- Researched and resolved payment discrepancies
- Responsible for accounts receivable, payment posting, charge entry with great attention to detail
- Instrumental in the implementation of a pre-collections policy for patients

Dr. Ronald Carpe, DMD Boston, Ma
Office Manager

1992-1997

- Effectively controlled all office functions allowing for the highest efficiency of office flow
- Intensive follow through and resolution on all delinquent accounts as well as account discrepancies
- Monitored and reconciled all office productivity and comparative reports

Chelsie Mostone

Email: Chelsie.L.Mostone@hitchcock.org [REDACTED]

Highway safety program coordinator working to better the lives of NH drivers through educational presentations, collaboration with communities, schools and local businesses, and collecting data to support programming.

Experience:

Buckle Up New Hampshire Program Coordinator Lebanon, NH

January 2019-Present

- Manages and coordinates educational presentations as well as collects data and promotes best safe driving practice
- Collaborated with state officials for the statewide highway safety conference
- Supported community events, engaged with public and community partners
- Supported various businesses with educational presentations or table displays
- Wrote a grant to the NH Department of Safety and composed an annual report
- Composed data for the Department of Health and Human Services around the teen driving efforts through data collection and collaborative efforts

Youth Operator Specialist Lebanon, NH

October 2016-January 2019

- Operated peer-to-peer groups inside high schools to provide teens with a better understanding of driving safety and collected data of student belt usage.
- Supported community events, engaged with the public and community partners
- Managed presentations from crash victims and families
- Wrote a grant to the NH Department of Safety for position and composed an annual report

Teen Driver Program Coordinator Concord, NH

May 2016-September 2016

- Part time
- Coordinated various end of high school year events around driving safety (impairment, distraction, seat belt, etc.) and collected teen driver data

Highway Safety Intern Lebanon, NH

January 2016- May 2016

- Learned the important aspects of highway safety educational efforts in the state
- Co-Presented to various groups about being safe drivers

Education:

Rivier University

Nashua, NH

Graduated: 2017 GPA: 3.7

Bachelor's of Science Degree Major: Public Health Minor: Psychology

Occupation Accolades:

- Received the 2018 Champion Award from the NH College and University Council for the coordination of a half day educational event at Belmont High School
- Presented at National Highway Safety Conference about the NH Teen Driver Program
- Awarded a GHSA/Ford Driving Skills for Life grant for an opioid related crash victim event for teens in NH

Important Qualities:

Willing to take on challenges

Self-sufficient

Organized

Desire to help others

Dependable

Great Communication Skills

CPR certified

Learns new tasks easily

JAMES E. ESDON



BACKGROUND SUMMARY

Skilled in personnel management, budget management, volunteer recruitment and training, membership development, outdoor education and injury prevention, specifically unintentional injuries. People skills include teaching, coaching, directing, listening, encouraging, and supporting. Additional skills include writing, problem solving, planning, and implementation. Knowledgeable in fundraising including annual campaigns, special events, project sales, and product sales.

QUALIFICATIONS

Management

- Managed staff of fourteen people including all aspects of hiring, training, evaluation, and counseling.
- Oversaw daily operations of a busy office.
- Administered field operations for a statewide non-profit agency.
- Managed injury prevention program for statewide agency.
- Demonstrated customer service skills.
- Member of the Management Team for a busy retail store with sales in excess of 3.5 million annually.

Fundraising/Development

- Increased annual sustaining membership campaign.
- Organized new special events and increased revenue from existing ones.
- Significantly grew annual product sale.
- Ability to recruit, train, and retain strong volunteer base.
- Able to accurately balance and maintain daily financial records.

Outdoor Education

- Managed large summer camp operation with balanced budget every year.
- Increased attendance through innovative programming and quality customer service.

Computer Literacy

- Knowledgeable in Windows 98, Microsoft Word; E-mail; Internet searches.
- Hotel reservations software.
- Cash register operation.

EMPLOYMENT HISTORY

- Program Manager with Injury Prevention Center, Dartmouth College 2001-Present
- Associate, LL Bean West Lebanon 2006-2007
- Front Desk Clerk with Comfort Inn, White River Jct., VT 2001-2003
- Keyholder with Eastern Mountain Sports, Lebanon, NH 2002-2006
- Assistant Scout Executive/ Staff Leader with Green Mountain Council,BSA 1995-2001
- Senior Field Executive/ Camp Director with Daniel Webster Council,BSA 1989-1995
- District Executive/ Camp Director with Daniel Webster Council,BSA 1985-1989

EDUCATION & CERTIFICATIONS

- Bachelor of Science, Physical Education 1985
Plymouth State College, Plymouth, New Hampshire
- Professional Development Instructional Courses
Professional Development Level I, II, and III
- *Advanced District Administration*
- *Personnel Management Level I*
- *Fundraising/Endowment Roundtable*
- Certified Child Passenger Safety Technician, Certification # TO26803
- SOLO Wilderness First Aid
- American Red Cross Basic First Aid, CPR & AED
- American Red Cross Certified Lifeguard

PERSONAL

- Hobbies include running, hiking, backpacking, and fishing.
- Working towards Master's in Business Administration.

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Debra Samaha	Injury Prevention Manager	\$83,907	40%	\$68,945.90
April Simonds	Administrative Support	\$41,454	25%	\$19,692.80
Chelsie Mostone	Traffic Safety Coordinator	\$51,230	20%	\$21,047.81
James Esdon	Injury Prevention Coordinator	\$60,923	15%	\$18,772.55

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

Jeffrey A. Meyers
Commissioner

Lisa M. Morris
Director

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext. 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

February 15, 2018

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, to enter into an agreement with Trustees of Dartmouth College, Vendor #TBD, 10 Rope Ferry Road, Hanover, NH 03755, for the provision of injury prevention services in an amount not to exceed \$217,000, effective April 1, 2018 or upon Governor and Council approval, whichever is later, through March 31, 2020. 81% Federal Funds, 19% General Funds.

Funds are available in the following accounts for SFY 2018 and SFY 2019, and are anticipated to be available in SFY 2020, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, without further approval from the Governor and Executive Council, if needed and justified.

05-95-90-902010-5190, HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION HEALTH AND COMMUNITY SERVICES, MATERNAL – CHILD HEALTH

SFY	Class/Account	Class Title	Job Number	Total Amount
2018	102-500731	Contracts for Program Services	90019001	\$23,125.00
2019	102-500731	Contracts for Program Services	90019001	\$92,500.00
2020	102-500731	Contracts for Program Services	90019001	\$69,375.00
			Subtotal	\$185,000.00

05-95-90-902010-5896 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF POPULATION HEALTH AND COMMUNITY SERVICES, ACA HOME VISITING

SFY	Class/Account	Class Title	Job Number	Total Amount
2018	102-500731	Contracts for Program Services	90083200	\$2,750.00
2019	102-500731	Contracts for Program Services	90083200	\$11,000.00
2020	102-500731	Contracts for Program Services	90083200	\$8,250.00
			Subtotal	\$22,000.00

**05-95-48-481010-8917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,
HHS: ELDERLY & ADULT SVCS DIV, GRANTS TO LOCALS, HEALTH PROMOTION CONTRACTS**

SFY	Class/Account	Class Title	Job Number	Total Amount
SFY 2018	102-500731	Contracts for Program Services	48108462	\$1,250.00
SFY 2019	102-500731	Contracts for Program Services	48108462	\$5,000.00
SFY 2020	102-500731	Contracts for Program Services	48108462	\$3,750.00
			Subtotal	\$10,000.00
			Total	\$217,000.00

EXPLANATION

The purpose of this request is to ensure injury prevention programming is available, statewide, that includes but is not limited to professional training and logistics for the New Hampshire Falls Risk Reduction Task Force; purchasing child-safety equipment for the home visiting programs; supports to teen driver education programs; and providing oversight for the Department's Injury Prevention Advisory Council.

By working with the Injury Prevention Center at Dartmouth College, the Department's Injury Prevention Program gains the value of multiple stakeholder partnerships and a broad knowledge base regarding injury prevention in New Hampshire. The staff at the Injury Prevention Center will assist the Injury Prevention Program with prevention programming including Adolescent Driver Safety, Older Adult Falls Prevention, Child Safety, Child Maltreatment Prevention, as well as program evaluation and updating the State Injury Prevention Strategic Plan.

The use of seatbelts among teen drivers has increased from 70% during the 2014-2015 school year to 79.3% in the 2016-2017 school year, based on observational studies performed in the fifteen (15) high schools participating in the Adolescent Teen Driver Safety program. The Safe Kids 500 bike rally in May 2017 had over 625 in attendance. Event data showed: Seventy-two (72) helmet safety checks administered, fifty-five (55) bike safety checks administered, 47% of participants already had a helmet, fifty-two (52) new helmets provided, 88% of participants received helmet improvements, 55% had bike safety improvements done, and 82% would not have had a bike safety check if not for this event. With the assistance of the Injury Prevention Program, the 2020 goal of preventing the rate of increase of older adult fall related deaths is expected to be below 125.1 per 100,000. The rate of older adult falls related deaths in 2015 was 101.6 and the five year trend shows a decrease in the rate of increase. With continued programming, by 2020, the goal will be met.

Trustees of Dartmouth College was selected for this project through a competitive bid process. A Request for Proposal was posted on The Department of Health and Human Services' web site from November 6, 2017 through December 7, 2017. The Department received two (2) proposals. The proposals were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals. The Score Summary Sheet is attached.

As referenced in the Request for Proposal and in Exhibit C-1, Revisions to General Provisions, of this contract, the Department reserves the option to extend contract services for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

All of New Hampshire's residents benefit from the injury prevention work. For example, the Adolescent Driver Program will not only reduce injuries due to motor vehicle crashes in the teen population, but also protects drivers and passengers of all ages who may have been impacted by a teen driver. The Older Adult Falls Prevention program addresses New Hampshire residents age sixty-

five (65) years and older to improve strength and physical stability to prevent deaths and injuries due to falls. The management of these essential activities is not duplicated by any other programs in the state. The Injury Prevention Program staffing at the Department is small, and these activities may not be accomplished without the assistance of the Injury Prevention Center.

Should the Governor and Executive Council not authorize this request, the essential injury prevention programming provided by the Injury Prevention Center under Trustees at Dartmouth College will cease which may lead to increased injuries and death in the State.

Area served: statewide.

Source of Funds: 81% Federal Funds from Centers for Disease Control and Prevention, Health Resources and Services Administration, Title IID, Preventative Health and 19% General Funds

In the event that the Federal (or Other) Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Lisa M. Morris
Director

Approved by:



Jeffrey A. Meyers
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

Injury Prevention Services

RFP-2018-DPHS-05-INJUR

RFP Name

RFP Number

Reviewer Names

Bidder Name

1. Center for Health and Learning
2. Trustees of Dartmouth College
3. 0

Pass/Fail	Maximum Points	Actual Points
	1000	585
	1000	745
	1000	0

1. Sean Marden, Opioid Surveillanc
Prog Coordntr, DPHS; Tech Tm
2. Kristi Hart, Home Visiting Coordntr,
MCH DPHS; Tech Tm
3. Shari Campbell, Prog Evaluation
Specialist, DPHS; Tech Team
4. Ellen Chase-Lucard, Financial
Administrator DPHS; Cost Tech
5. Kira Hageman, Finance Dept,
DPHS, Cost Team

Subject: Injury Prevention Services (RFP-2018-DPHS-05-INJUR)


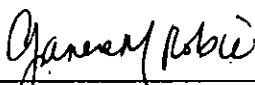

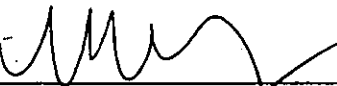
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Trustees of Dartmouth College		1.4 Contractor Address 10 Rope Ferry Road Hanover, NH 03755	
1.5 Contractor Phone Number 603-646-1559	1.6 Account Number 05-95-90-902010-51900000, 05-95-90-902010-58960000, 05-95-48-481010-89170000	1.7 Completion Date March 31, 2020	1.8 Price Limitation \$ 217,000
1.9 Contracting Officer for State Agency E. Maria Reinemann, Esq. Director of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9330	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Heather A. Arnold, M.Ed. Associate Director	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Grafton</u> On <u>2/16/18</u> , before the undersigned officer, personally <u>present</u> the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that she executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 			
1.13.2 Name and Title of Notary of Justice of the Peace Janene M. Robie, Office Manager, <u>OSP - Dartmouth College</u>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory LISA MORRIS, Director, DPHS	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>Megan A. Ysp - Attorney</u> <u>3/3/18</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials HA
Date 2/16/18

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean 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 studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. **ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A (*"Workers' Compensation"*).

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

2. Scope of Services

- 2.1. The Contractor shall update the "NH State Injury Prevention Plan, 2014 – 2018" (the Plan), which was published in November 2013, to prepare for 2019 through 2023. The Plan includes services for topics including, but not limited to child safety and child maltreatment prevention, teen driver safety, poisoning prevention, suicide prevention, and older adult fall prevention. The Plan update shall include, but not be limited to:
 - 2.1.1. An analysis of the most recent New Hampshire injury areas.
 - 2.1.2. Work groups to ensure key partners are represented and that the Plan is properly updated based on:
 - 2.1.2.1. New Hampshire specific data.
 - 2.1.2.2. Evidence-based practices.
 - 2.1.2.3. Current initiatives.
 - 2.1.2.4. Resource availability.
 - 2.1.2.5. Programming and evaluation feasibility.
 - 2.1.3. A review of the outcomes from the work group submissions from both a programmatic and evaluative perspective.
 - 2.1.4. A formative (process-level) evaluation for purposes of performance monitoring and tracking program efforts.
 - 2.1.5. A summative (outcome-level) evaluation to assess annual changes in desired short- and intermediate-term outcomes.
- 2.2. The Contractor shall plan, promote, and provide logistical support and evaluation of evidence-based falls risk reduction training for older adults age sixty-five (65) and older including, but not limited to collaborating with agencies in planning and evaluation of risk reduction trainings including, but not limited to:



- 2.2.1. Dartmouth Center for Health and Aging
- 2.2.2. Foundation for Healthy Communities
- 2.3. The Contractor shall facilitate and oversee the following statewide coalitions in order to implement injury prevention programming:
 - 2.3.1. Injury Prevention Advisory Council (IPAC) with its accompanying Policy Subcommittee, which meets quarterly; the Policy Subcommittee meets as needed.
 - 2.3.2. Safe Kids New Hampshire, which meets quarterly. This includes the provision of professional trainings on best practice injury prevention strategies in the context of these meetings. Topics will be determined by interest and injury surveillance data.
 - 2.3.3. The Teen Driving/Buckle-Up NH Committee which meets monthly.
 - 2.3.4. The New Hampshire Falls Risk Reduction Task Force which meets monthly.
- 2.4. The Contractor shall develop and implement evaluation plans for components of the "NH State Injury Plan, 2019-2023" including, but not limited to older adult falls (Tia Ji Quan: Moving for Better Balance ® and Matter of Balance. Programs), teen driving, and childhood poison prevention. This includes the facilitation of evaluation meetings, as needed.
 - 2.4.1. The Contractor's Center for Program Design and Evaluation (CPDE) evaluators shall conduct semi-structured individual or group interviews with key program stakeholders as part of the evaluation.
- 2.5. The Contractor shall develop and make available a web-based injury prevention curriculum for individuals providing early childhood services including, but not limited to home visiting and child care providers.
- 2.6. The Contractor shall provide and collect results from a post-attendance survey for the web-based injury prevention trainings outlined in Section 2.5.
- 2.7. The Contractor shall purchase child safety devices for the Maternal, Infant and Early Childhood Home Visiting Program as requested so long as funds are still available.
- 2.8. The Contractor shall attend the following meetings and conferences:
 - 2.8.1. Northeast and Caribbean Injury Prevention Network (NCIPN), monthly phone calls and quarterly in-person meetings.
 - 2.8.2. Safe States Alliance Annual Meeting.
 - 2.8.3. Monthly check-in meetings with the Injury Prevention Program Manager.
- 2.9. The Contractor shall evaluate their progress towards the Performance Measures listed in Section 5 through employing a mixed-method, longitudinal transformation design where multiple quantitative and qualitative data are collected from different



Exhibit A

target groups over time, and data are analyzed and integrated throughout the evaluation to inform later activities.

- 2.9.1. The Contractor shall align evaluation protocols and procedures with Injury Plan Prevention (IPP) activities and strategic priorities. Evaluation activities may include, but are not limited to:
 - 2.9.1.1. Participant surveys of use, experiences, satisfaction and knowledge/awareness;
 - 2.9.1.2. Compilation of training attendance records and other tracking of program outreach and utilization, e.g., number of trainings provided; number of safety checks conducted;
 - 2.9.1.3. Targeted qualitative methods such as focus groups and/or semi-structured interviews to supplement program data and surveys which can provide more details about program successes and challenges;
 - 2.9.1.4. Training or other meeting/program evaluation where education or outreach is provided to a target audience and immediate feedback on the session delivery and content is warranted to inform future programming; and
 - 2.9.1.5. Compilation of secondary data such as injury data, incidence and severity rates, registry data, and any relevant document review (e.g., advisory group meeting minutes; fiscal data).
- 2.9.2. The Contractor shall analyze quantitative data such as counts or survey data using appropriate statistics, such as t-tests or ANOVAs for continuous or interval data, and chi-square for categorical variables to be able to make inferences about program effects on process or outcome variables
- 2.9.3. The Contractor shall systematically code qualitative data (interview narratives) using a mix of grounded theory methods and content analysis to identify overarching themes that emerge from participant perspectives on activities, challenges, successes and other outcomes.

3. Reporting

- 3.1. The reports associated with this contract that are sent to the Department shall not contain personal health information (PHI), personally identifiable information (PII), or confidential information.
- 3.2. The Contractor shall provide a quarterly report on progress toward performance measures and overall program goals and objectives to the Department. This will include information including, but not limited to the type and number of meetings facilitated, number of fall prevention classes and count of attendees, successes, and challenges.



Exhibit A

- 3.3. The Contractor shall provide an annual report summarizing the activities engaged in within thirty (30) days of the conclusion of the State Fiscal Year to the DHHS Injury Prevention Program.
- 3.4. The Contractor shall report annually on the number of trainings and attendance count for train-the-trainer sessions for instructors of Tia Ji Quan: Moving for Better Balance ® and Matter of Balance.
- 3.5. The Contractor shall collect pre- and post- survey data on participants in Tia Ji Quan: Moving for Better Balance ® and Matter of Balance and provide aggregate data in an annual report.
- 3.6. The Contractor shall submit quarterly progress reports towards Process Indicators.

4. Performance Measures

- 4.1. The Contractor shall ensure that the following performance indicators are annually achieved and monitored monthly or quarterly as stated, to measure the effectiveness of the agreement:
 - 4.1.1. Facilitation of one hundred percent (100%) of the statewide coalitions outlined in Section 2.3, monitored monthly.
 - 4.1.2. Implementation and evaluation of eight-five percent (85%) of the strategies and accompanying activities outlined in the "New Hampshire Violence and Injury Prevention Plan for Action 2015-2020", monitored monthly. This is a subset of the "Statewide Strategic Injury Prevention Plan".
 - 4.1.3. Development of a clear work plan for the overall activities related to this contract, monitored quarterly to ensure one hundred percent (100%) of deadlines are met. If unmet, a brief justification must be provided with a new proposed deadline
- 4.2. Quarterly, the Contractor shall develop and submit to the Department a corrective action plan for any performance measure that was not achieved.



Methods and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.
3. Funds to support this project are both Federal Funds and State of New Hampshire General Funds. The Federal Funds to support this project are identified as follows:
 - 3.1. US Department of Health and Human Services, Centers for Disease Control and Prevention, Preventative Health and Human Services Block Grant, Catalog of Federal Domestic Assistance (CFDA)# 93.758, FAIN#B010T009098.
 - 3.2. US Dept. of Health and Human Services, Human Resources & Services Administration (HRSA), Maternal, Infant and Early Childhood Home Visiting Program Grant, Catalog of Federal Domestic Assistance (CFDA)# 93.870, FAIN#X10MC29490.
 - 3.3. US Department of Health and Human Services, Title IIID, Preventative Health, Catalog of Federal Domestic Assistance (CFDA)# 93.043, FAIN#17AANHT3PH.
4. Payment for said services shall be made monthly as follows:
 - 4.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item.
 - 4.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment. The Contractor agrees to keep detailed records of their activities related to Department-funded programs and services.
 - 4.2.1. Expenditure detail may be requested by the Department on an intermittent basis which the Contractor will need to provide.
 - 4.2.2. Onsite reviews may be required.
 - 4.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.
 - 4.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.
 - 4.5. All invoices may be assigned an electronic signature and must be emailed to: DPHScontractbilling@dhhs.nh.gov
 - 4.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.



Exhibit B

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5. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

New Hampshire Department of Health and Human Services										
Bidder/Program Name: Injury Prevention Center										
Budget Request for: RFP-2018-DPHS-05-INJUR										
Budget Period: 04/01/2018-06/30/2018										
Line Item	Total Program Cost			Contractor Share / Match			Funded by DPHS contract share			Total
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	
1. Total Salary/Wages	\$ 14,987.10	\$ 1,498.71	\$ 16,485.81	\$ -	\$ -	\$ -	\$ 14,987.10	\$ 1,498.71	\$ 16,485.81	
2. Employee Benefits	\$ 5,245.50	\$ 524.55	\$ 5,770.05	\$ -	\$ -	\$ -	\$ 5,245.50	\$ 524.55	\$ 5,770.05	
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4. Equipment:	\$ 1,000.00	\$ 100.00	\$ 1,100.00	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 100.00	\$ 1,100.00	
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Office	\$ 200.00	\$ 20.00	\$ 220.00	\$ -	\$ -	\$ -	\$ 200.00	\$ 20.00	\$ 220.00	
6. Travel	\$ 719.23	\$ 79.91	\$ 799.14	\$ -	\$ -	\$ -	\$ 719.23	\$ 79.91	\$ 799.14	
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
12. Subcontracts/Agreements	\$ 2,500.00	\$ 250.00	\$ 2,750.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 250.00	\$ 2,750.00	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL	\$ 24,651.83	\$ 2,473.17	\$ 27,125.00	\$ -	\$ -	\$ -	\$ 24,651.83	\$ 2,473.17	\$ 27,125.00	

Indirect As A Percent of Direct

10.0%

Contractor Initials **HA**
Date **2/16/18**

New Hampshire Department of Health and Human Services

Bidder/Program Name: Injury Prevention Center

Budget Request for: RFP-2018-DPHS-05-INJUR

Budget Period: 07/01/2018-06/30/2019

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
	Incremental	Fixed		Incremental	Fixed		Incremental	Fixed	
1. Total Salary/Wages	\$ 59,948.42	\$ 5,994.84	\$ 65,943.26	\$ -	\$ -	\$ -	\$ 59,948.42	\$ 5,994.84	\$ 65,943.26
2. Employee Benefits	\$ 20,981.95	\$ 2,098.19	\$ 23,080.14	\$ -	\$ -	\$ -	\$ 20,981.95	\$ 2,098.19	\$ 23,080.14
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ 1,961.00	\$ 196.10	\$ 2,157.10	\$ -	\$ -	\$ -	\$ 1,961.00	\$ 196.10	\$ 2,157.10
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 200.00	\$ 20.00	\$ 220.00	\$ -	\$ -	\$ -	\$ 200.00	\$ 20.00	\$ 220.00
6. Travel	\$ 1,945.00	\$ 194.50	\$ 2,139.50	\$ -	\$ -	\$ -	\$ 1,945.00	\$ 194.50	\$ 2,139.50
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 100.00	\$ 10.00	\$ 110.00	\$ -	\$ -	\$ -	\$ 100.00	\$ 10.00	\$ 110.00
12. Subcontracts/Agreements	\$ 13,500.00	\$ 1,350.00	\$ 14,850.00	\$ -	\$ -	\$ -	\$ 13,500.00	\$ 1,350.00	\$ 14,850.00
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 98,636.37	\$ 9,863.63	\$ 108,500.00	\$ -	\$ -	\$ -	\$ 98,636.37	\$ 9,863.63	\$ 108,500.00

Indirect As A Percent of Direct

10.0%

New Hampshire Department of Health and Human Services										
Bidder/Program Name: Injury Prevention Center										
Budget Request for: RFP-2018-DPHS-05-INJUR										
Budget Period: 07/01/2018-03/30/2020										
Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share			
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	
1. Total Salary/Wages	\$ 44,961.30	\$ 4,496.13	\$ 49,457.43	\$ -	\$ -	\$ -	\$ 44,961.30	\$ 4,496.13	\$ 49,457.43	
2. Employee Benefits	\$ 15,736.50	\$ 1,573.65	\$ 17,310.15	\$ -	\$ -	\$ -	\$ 15,736.50	\$ 1,573.65	\$ 17,310.15	
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4. Equipment:	\$ 2,589.78	\$ 258.97	\$ 2,848.75	\$ -	\$ -	\$ -	\$ 2,589.78	\$ 258.97	\$ 2,848.75	
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Office	\$ 225.00	\$ 22.50	\$ 247.50	\$ -	\$ -	\$ -	\$ 225.00	\$ 22.50	\$ 247.50	
6. Travel	\$ 2,214.70	\$ 221.47	\$ 2,436.17	\$ -	\$ -	\$ -	\$ 2,214.70	\$ 221.47	\$ 2,436.17	
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ 250.00	\$ 25.00	\$ 275.00	\$ -	\$ -	\$ -	\$ 250.00	\$ 25.00	\$ 275.00	
12. Subcontracts/Agreements	\$ 8,000.00	\$ 800.00	\$ 8,800.00	\$ -	\$ -	\$ -	\$ 8,000.00	\$ 800.00	\$ 8,800.00	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL	\$ 73,977.28	\$ 7,397.72	\$ 81,375.00	\$ -	\$ -	\$ -	\$ 73,977.28	\$ 7,397.72	\$ 81,375.00	

Indirect As A Percent of Direct

10.0%



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior-written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.



Exhibit C-1

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:
4. **CONDITIONAL NATURE OF AGREEMENT.**
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including without limitation, the continuance of payments, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability of funds affected by any state or federal legislative or executive action that reduces, eliminates, or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination, or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate, or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:
 - 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
 - 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
 - 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
 - 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
 - 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Extension:
The Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check if there are workplaces on file that are not identified here.

Contractor Name: *Trustees of Dartmouth College*

2/16/18
Date

Heather A. Arnold
Name: Heather A. Arnold, M.Ed.
Title: Associate Director



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-1.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Contractor Name: Trustees of Dartmouth College

2/16/18
Date

Heather A. Arnold
Name: Heather A. Arnold, M.Ed.
Title: Associate Director



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name: Trustees of Dartmouth College

2/16/18
Date

Heather A. Arnold
Name: **Heather A. Arnold, M.Ed.**
Title: **Associate Director**



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Contractor Initials

HA

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

Contractor Name: Trustees of Dartmouth College

2/16/18
Date

Heather A. Arnold
Name: **Heather A. Arnold, M.Ed.**
Title: **Associate Director**

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Contractor Initials

HA

Date

2/16/18



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name: *Trustees of Dartmouth College*

2/16/18
Date

Heather A. Arnold
Name: **Heather A. Arnold, M.Ed.**
Title: **Associate Director**



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.



Exhibit I

- I. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

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2/16/18



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

[Signature]
Signature of Authorized Representative

LISA MORRIS
Name of Authorized Representative

DIRECTOR, DPHS
Title of Authorized Representative

2/22/18
Date

Trustees
Dartmouth College
Name of the Contractor

Heather A. Arnold
Signature of Authorized Representative

Heather A. Arnold, M.Ed.
Name of Authorized Representative

Associate Director
Title of Authorized Representative

2/16/18
Date



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Trustees of Dartmouth College

2/16/18
Date

Heather A. Arnold
Name: Heather A. Arnold, M.Ed.
Title: Associate Director



FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 04-102-7822
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO YES

If the answer to #3 above is YES, stop here

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____



DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this SOW, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
 - 2.1. Contractor shall not store or transfer data collected in connection with the services rendered under this Agreement outside of the United States. This includes backup data and Disaster Recovery locations.
 - 2.2. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
 - 2.3. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
 - 2.4. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
 - 2.5. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
 - 2.6. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
 - 2.7. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
 - 2.7.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

Breach notifications will be sent to the following email addresses:

 - 2.7.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
 - 2.7.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
 - 2.8. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed



Exhibit K

by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire 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). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department 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 the State and the vendor prior to destruction.

- 2.9. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.
3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.
6. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.