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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF COMMUNITY BASED CARE SERVICES

BUREAU OF ELDERLY & ADULT SERVICES

Nicholas A. Toumpas  
Commissioner

Nancy L. Rollins  
Associate Commissioner

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May 10, 2013

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court, and

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

*[Signature]* 6/7/13  
Approved by Fiscal Committee Date

Requested Action

Pursuant to the provisions of Chapter 224:14, II, Laws of 2011, Additional Revenues, authorize the Department of Health and Human Services, Division of Community Based Care Services, Bureau of Elderly and Adult Services to accept and expend \$35,720,850 for Prospective Share Payments (from Title XIX Medicaid federal funds from the Centers for Medicare and Medicaid Services in the amount of \$17,870,850.00 and Local Funds-Nursing Homes (County) in the amount of \$17,850,000.00) in the following accounts effective upon the date of Fiscal Committee and Governor and Executive Council approval through June 30, 2013, and further authorize the allocation of these funds as indicated below.

05-95-48-481510-5943 HEALTH AND SOCIAL SERVICES, DEPT. OF HEALTH AND HUMAN SERVICES, HHS: ELDERLY AND ADULT SERVICES, MEDICAL SERVICES, PROSHARE

SFY 13

Class-Object Class Title	Current Modified Budget	Increase/ (Decrease) Amount	Revised Modified Budget
000-404362 Federal Funds-Nursing Homes	\$27,026,034	\$17,870,850	\$44,896,884
005-403011 Local Funds-Nursing Homes County	\$26,994,934	\$17,850,000	\$44,844,934
General Fund	\$0	\$0	\$0
Total Revenue	\$54,020,968	\$35,720,850	\$89,741,818
040-500800 Indirect Costs	\$3,770	\$3,000	\$6,770
041-500801 Audit Fund Set Aside	\$27,329	\$17,850	\$45,179
514-500356 Proshare	\$53,989,869	\$35,700,000	\$89,689,869
Total Expenses	\$54,020,968	\$35,720,850	\$89,741,818

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### Explanation

Prospective Share Payments (ProShare) are supplemental payments made to county-owned nursing facilities based upon the difference between Medicaid payments and what the payment would have been if those residents had been on Medicare. These annual payments are typically made in June of each year.

At the end of State Fiscal Year 2012 it was determined that the appropriation was not sufficient to make the annual SFY12 ProShare payment. A payment was made in June 2012 based on the appropriations available and a second payment was made in August 2012 after receiving approval from the Fiscal Committee and Governor and Council. The total SFY12 payment was \$53.5 million of which \$30.3 million was paid out of SFY13 appropriations.

The annual ProShare payment for SFY13 to the county-owned nursing facilities is estimated at \$59.4 million. This is higher than prior estimates due to a widening of the gap between the Medicare and Medicaid rates. This requires an increase in the appropriation to make the payment to the counties in June 2013.

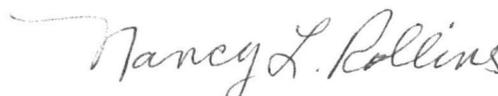
If this request is not approved by the Fiscal Committee and Governor and Council, the State will be unable to make the total SFY13 Proshare payment to the counties prior to the end of the State Fiscal Year. This would have a detrimental effect on the anticipated cash flows to the counties.

Area served: Statewide.

Source of funds: 50.1% federal funds and 49.9% local funds-county

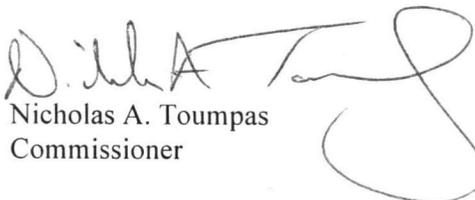
If Federal and Local funds are no longer available general funds will not be requested for this payment.

Respectfully submitted,



Nancy L. Rollins  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner