

SEP 27 2021 10:06:27 AM 27
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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR CHILDREN, YOUTH & FAMILIES

Lori A. Shibinette
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-4451 1-800-852-3345 Ext. 4451

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Joseph E. Ribsam, Jr.
Director

September 27, 2021

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 for Children, Youth and Families, to enter into a **Retroactive** amendment to an existing contract with Mary Hitchcock Memorial Hospital (VC#177160), Lebanon, NH, to provide physician, clinical and administrative services to meet the specialized health and related clinical and administrative needs of New Hampshire residents, by increasing the price limitation by \$311,326 from \$80,594,711 to \$80,906,037, with no change to the contract completion date of June 30, 2022, effective retroactive to June 1, 2021; upon Governor and Council approval.

The original contract was approved by Governor and Council on September 7, 2016 (item #6A). It was subsequently amended with Governor and Council approval on January 9, 2019 (item #5A), June 19, 2019 (item #10), June 24, 2020 (item #10), and most recently amended with Governor and Council approval on April 7, 2021 (item #5B).

Funds are available in the following accounts for State Fiscal Year 2022, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See Fiscal Details Sheet

EXPLANATION

This request is **Retroactive** because the existing physician retired with little notice and the Department had to immediately identify a physician to serve the youth at the facility.

The purpose of this request is to amend the contract to provide clinical services for residents at the Sununu Youth Services Center. The Contractor will provide one (1) Medical Doctor to perform medical rounds up to three (3) hours per week; conduct admissions and readmission physical assessments; and make service referrals for residents as needed to other providers. The Contractor will also provide two (2) Clinicians to conduct individual, group and family therapy; watch assessments; crisis intervention and/or support and processing; and development of youth treatment plans.

The Contractor provides clinical and administrative services to the Department, including the Sununu Youth Services Center. Specifically, the Contractor provides psychiatric and clinical services to youth served by the Department, including treatment planning; clinical consultations; assessments to treatment coordinators; individual, group, and family therapy; and various clinical assessments. The Contractor develops treatment plans; maintains clinical documentation; supports program development at the Sununu Youth Services Center; and fosters improved

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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interagency collaboration between Juvenile Justice Services, area mental health agencies and New Hampshire Hospital to enhance mental health services of adjudicated youth.

The Department will monitor contracted services by: Auditing treatment plans; and

- Monitor if weekly client sessions are taking place
- Monitor that psychosocial assessments are done within timeframes.
 - Ensuring adherence to certification guidelines.

Should the Governor and Council not authorize this request, the Department will not be able to provide critical clinical support and services to residents at the Sununu Youth Services Center.

Area served: Statewide

Respectfully submitted,

DocuSigned by:
Lori A. Weaver
4C4A92994125473...

Lori A. Shibinette
Commissioner

Fiscal Details Sheet

Service Area #1

05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ACUTE PSYCHIATRIC SERVICES

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for program services	94058000	\$8,407,616	\$0	\$8,407,616
2018	102-500731	Contracts for program services	94058000	\$11,471,661	\$0	\$11,471,661
2019	102-500731	Contracts for program services	94058000	\$11,862,758	\$0	\$11,862,758
2020	102-500731	Contracts for program services	94058000	\$11,640,759	\$0	\$11,640,759
2021	102-500731	Contracts for program services	94058000	\$12,717,827	\$0	\$12,717,827
2022	102-500731	Contracts for program services	94058000	\$13,366,111	\$0	\$13,366,111
		Sub Total		\$69,466,732	\$0	\$69,466,732

05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, BEHAVIORAL HEALTH

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for program services	94058000	\$351,661	\$0	\$351,661
2018	102-500731	Contracts for program services	94058000	\$477,825	\$0	\$477,825
2019	102-500731	Contracts for program services	94058000	\$494,500	\$0	\$494,500
2020	102-500731	Contracts for program services	94058000	\$0	\$0	\$0
2021	102-500731	Contracts for program services	94058000	\$0	\$0	\$0
2022	102-500731	Contracts for program services	94058000	\$0	\$0	\$0
		Sub Total		\$1,323,986	\$0	\$1,323,986

Service Area #2

05-95-91-910010-57100000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: GLENCLIFF, PROFESSIONAL CARE

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	101-500729	Contracts for program services	91000000	\$0	\$0	\$0
2018	101-500729	Contracts for program services	91000000	\$0	\$0	\$0
2019	101-500729	Contracts for program services	91000000	\$0	\$0	\$0
2020	101-500729	Contracts for program services	91000000	\$139,309	\$0	\$139,309
2021	101-500729	Contracts for program services	91000000	\$148,447	\$0	\$148,447
2022	101-500729	Contracts for program services	91000000	\$156,475	\$0	\$156,475
		Sub Total		\$444,231	\$0	\$444,231

05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: GLENCLIFF

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for program services	94058000	\$114,511	\$0	\$114,511
2018	102-500731	Contracts for program services	94058000	\$152,935	\$0	\$152,935
2019	102-500731	Contracts for program services	94058000	\$158,555	\$0	\$158,555
2020	102-500731	Contracts for program services	94058000	\$0	\$0	\$0
2021	102-500731	Contracts for program services	94058000	\$0	\$0	\$0
2022	102-500731	Contracts for program services	94058000	\$0	\$0	\$0
		Sub Total		\$426,001	\$0	\$426,001

Service Area #3

05-95-47-470010-50000000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: COMMISSIONERS OFFICE, OFF. OF MEDICAID & BUS POLICY, MEDICAID

Fiscal Details Sheet

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for program services	95063303	\$0	\$0	\$0
2018	102-500731	Contracts for program services	95063303	\$0	\$0	\$0
2019	102-500731	Contracts for program services	95063303	\$0	\$0	\$0
2020	102-500731	Contracts for program services	95063303	\$408,628	\$0	\$408,628
2021	102-500731	Contracts for program services	95063303	\$432,119	\$0	\$432,119
2022	102-500731	Contracts for program services	95063303	\$455,192	\$0	\$455,192
		Sub Total		\$1,295,939	\$0	\$1,295,939

05-95-47-470010-79370000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: COMMISSIONERS OFFICE, OFF. OF MEDICAID & BUS POLICY, MEDICAID

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for Program Services	47000021	\$278,300	\$0	\$278,300
2018	102-500731	Contracts for Program Services	47000021	\$374,358	\$0	\$374,358
2019	102-500731	Contracts for Program Services	47000021	\$388,407	\$0	\$388,407
2020	102-500731	Contracts for Program Services	47000021	\$0	\$0	\$0
2021	102-500731	Contracts for Program Services	47000021	\$0	\$0	\$0
2022	102-500731	Contracts for Program Services	47000021	\$0	\$0	\$0
		Sub Total		\$1,041,065	\$0	\$1,041,065

Service Area #4

05-95-42-421510-79150000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: SUNUNU YOUTH SERVICE CENTER, HEALTH SERVICES

100% General Funds

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500730	Medical Payments to Providers	42151501	\$325,491	\$0	\$325,491
2018	102-500731	Medical Payments to Providers	42151501	\$392,391	\$0	\$392,391
2019	102-500732	Medical Payments to Providers	42151501	\$407,002	\$0	\$407,002
2020	102-500730	Medical Payments to Providers	42151501	\$396,688	\$0	\$396,688
2021	102-500730	Medical Payments to Providers	42151501	\$392,445	\$0	\$392,445
2022	102-500730	Medical Payments to Providers	42151501	\$413,867	\$ (413,867)	\$0
		Sub Total		\$2,327,884	\$ (413,867)	\$1,914,017

05-95-42-421510-66430000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: SUNUNU YOUTH SERVICE

100% General Funds

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase/ (Decrease)	Revised Budget
2017	101-506224	Medical Payments to Providers	42151501	\$0	\$0	\$0
2018	101-506224	Medical Payments to Providers	42151501	\$0	\$0	\$0
2019	101-506224	Medical Payments to Providers	42151501	\$0	\$0	\$0
2020	101-506224	Medical Payments to Providers	42151501	\$0	\$0	\$0
2021	101-506224	Medical Payments to Providers	42151501	\$0	\$0	\$0
2022	101-506224	Medical Payments to Providers	42151501	\$0	\$725,193	\$725,193
		Sub Total		\$0	\$725,193	\$725,193

Service Area #5

05-95-92-922010-41170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF MENTAL HEALTH SERVICES, CMH PROGRAM SUPPORT.

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for program	92204117	\$0	\$0	\$0

Fiscal Details Sheet

2018	102-500731	Contracts for program	92204117	\$0	\$0	\$0
2019	102-500731	Contracts for program	92204117	\$0	\$0	\$0
2020	102-500731	Contracts for program	92204117	\$517,056	\$0	\$517,056
2021	102-500731	Contracts for program	92204117	\$544,803	\$0	\$544,803
2022	102-500731	Contracts for program	92204117	\$572,319	\$0	\$572,319
		Sub Total		\$1,634,178	\$0	\$1,634,178

Service Area #6

05-95-48-481010-33170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS. SMPP

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for Program Services	48130284	\$21,000	\$0	\$21,000
2018	102-500731	Contracts for Program Services	48130284	\$28,153	\$0	\$28,153
2019	102-500731	Contracts for Program Services	48130284	\$29,199	\$0	\$29,199
2020	102-500731	Contracts for Program Services	48130284	\$0	\$0	\$0
2021	102-500731	Contracts for Program Services	48130284	\$0	\$0	\$0
2022	102-500731	Contracts for Program Services	48130284	\$0	\$0	\$0
		Sub Total		\$78,352	\$0	\$78,352

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS.

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	540-500382	Social Services Contracts	48130305	\$0	\$0	\$0
2018	540-500382	Social Services Contracts	48130305	\$0	\$0	\$0
2019	540-500382	Social Services Contracts	48130305	\$0	\$0	\$0
2020	540-500382	Social Services Contracts	48130305	\$39,197	\$0	\$39,197
2021	540-500382	Social Services Contracts	48130305	\$41,809	\$0	\$41,809
2022	540-500382	Social Services Contracts	48130305	\$44,110	\$0	\$44,110
		Sub Total		\$125,116	\$0	\$125,116

Service Area #7

05-95-93-930010-51910000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, SPECIAL MEDICAL SERVICES.

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	561-500911	Specialty Services	93001000	\$20,000	\$0	\$20,000
2018	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
2019	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
2020	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
2021	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
2022	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
		Sub Total		\$170,000	\$0	\$170,000

05-95-93-930010-51910000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, SPECIAL MEDICAL SERVICES.

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	103-502664	Contracts for Operations Svcs	93015947	\$106,480	\$0	\$106,480
2018	103-502665	Contracts for Operations Svcs	93015947	\$143,673	\$0	\$143,673
2019	103-502666	Contracts for Operations Svcs	93015947	\$149,113	\$0	\$149,113
2020	103-502667	Contracts for Operations Svcs	93015947	\$0	\$0	\$0
2021	103-502668	Contracts for Operations Svcs	93015947	\$0	\$0	\$0
2022	103-502669	Contracts for Operations Svcs	93015947	\$0	\$0	\$0
		Sub Total		\$399,266	\$0	\$399,266

Fiscal Details Sheet

05-95-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV
DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT.

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2017	102-500731	Contracts for Program Services	93005947	\$93,096	\$0	\$93,096
2018	102-500731	Contracts for Program Services	93005947	\$119,981	\$0	\$119,981
2019	102-500731	Contracts for Program Services	93005947	\$125,376	\$0	\$125,376
2020	102-500731	Contracts for Program Services	93005947	\$254,893	\$0	\$254,893
2021	102-500731	Contracts for Program Services	93005947	\$280,264	\$0	\$280,264
2022	102-500731	Contracts for Program Services	93005947	\$297,751	\$0	\$297,751
		Sub Total		\$1,171,361	\$0	\$1,171,361

All Service Areas (unencumbered emergency services G&C 6/24/2020 Item #10)

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase/ (Decrease)	Revised Budget
2020	n/a	n/a	n/a	\$230,200	\$0	\$230,200
2021	n/a	n/a	n/a	\$230,200	\$0	\$230,200
2022	n/a	n/a	n/a	\$230,200	\$0	\$230,200
		Sub Total		\$690,600	\$0	\$690,600
		Total		\$80,594,711	\$311,326	\$80,906,037

**State of New Hampshire
Department of Health and Human Services
Amendment #5**

This Amendment to the Physician Clinical and Administrative Services contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Mary Hitchcock Memorial Hospital ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 7, 2016, (Item #6A), as amended on January 9, 2019, (Item #5A), June 19, 2019, (Item #10), June 24, 2020, (Item #10) and April 7, 2021 (Item #5B) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, General Provisions, Paragraph 3, 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, increase the price limitation, or modify the scope of services to support continued delivery of these services; 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 1.8, Price Limitation, to read:

\$80,906,037

2. Modify Exhibit A, Amendment #3 Scope of Services by adding Section 4.5.10, to read:

4.5.10. Sununu Youth Services Center- Medical Doctor

4.5.10.4. The Contractor shall provide one (1) Medical Doctor to perform medical rounds to address and follow up on resident medical concerns or ailment for one (1) hour per day on Monday, Wednesday, and Friday each week, not to exceed three (3) hours per week. The Contractor shall maintain an on-call rotation to address and manage emergent situations and provide aid to Registered Nursing (RN) staff, as requested by the Department.

4.5.10.5. The Contractor shall ensure that admissions and readmission physical assessments are done within three (3) business days of resident arrival.

4.5.10.6. The Medical Doctor shall prescribe medication and/or perform other medical procedures for residents as needed, including but not limited to:

4.5.10.6.1. X-rays.

4.5.10.6.2. Laboratory work.

4.5.10.7. The Medical Doctor shall make service referrals for residents as needed to other providers, including but not limited to:

4.5.10.7.1. SYSC Staff Dentist.

4.5.10.7.2. SYSC Psychiatrist.

4.5.10.7.3. External medical providers.

4.5.10.8. The Medical Doctor shall ensure all medications for residents are ordered and received prior to any upcoming furlough or discharge of residents from SYSC.

5. Modify Exhibit A, Amendment #3, Scope of Services by adding Section 4.5.11, to read:

4.5.11 Sununu Youth Services Center- Clinicians

17-DHHS-OCOM-PHYSI-01-A05

Mary Hitchcock Memorial Hospital

A-S-1.0

Contractor Initials

EM

Date 10/12/2021

- 4.5.11.1 The Contractor shall provide two (2) licensed Clinicians to provide clinical support and services to SYSC residents in accordance with SYSC policies and protocols. Services shall include, but are not limited to:
 - 4.5.10.8.1. Individual, group and family therapy;
 - 4.5.10.8.2. Watch assessments;
 - 4.5.10.8.3. Crisis intervention and/or support and processing; and
 - 4.5.10.8.4. Development of youth treatment plans.
- 4.5.11.2 The Contractor shall ensure Clinicians are available to provide on-call services Monday through Friday from 5:00 p.m. to 7:00 a.m. and weekends.
- 4.5.11.3 The Clinicians shall complete the On-Call Coverage Report and submit a copy to the SYSC supervisor by the following business day.
- 4.5.11.4 The Clinicians shall conduct clinical assessments and screenings, including but not limited to:
 - 4.5.10.8.5. Initial watch assessment, including PREA interviews and suicide screenings.
 - 4.5.10.8.6. Full psychosocial assessment, including a clinical interview and information gathering about the youth, their history, and family history.
 - 4.5.10.8.7. Mental health screening.
 - 4.5.10.8.8. Substance use screening.
 - 4.5.10.8.9. Trauma screening.
- 4.5.11.5 The Clinicians shall conduct Child and Adolescent Needs and Strengths Assessment and prepare parole and court reports and participate in hearings as necessary.
- 4.5.11.6 The Contractor shall ensure Clinicians complete all necessary documentation.
- 4.5.11.7 The Clinicians shall attend all required meetings to support the clinical work of the facility, including but not limited to:
 - 4.5.10.8.10. Monthly Treatment Plan Meetings.
 - 4.5.10.8.11. Twice weekly case reviews.
 - 4.5.10.8.12. Bi-weekly clinical team meetings.
 - 4.5.10.8.13. Monthly youth clinical ranking meetings.
 - 4.5.10.8.14. Monthly staff meetings.
 - 4.5.10.8.15. Weekly individual supervision.
 - 4.5.10.8.16. Various consultation meetings.
- 4.5.11.8 The Clinicians shall schedule and facilitate youth trust meetings, as requested by the Department.

6. Modify Exhibit B, Amendment #3, Method and Conditions Precedent to Payment by replacing Section 3, to read:

3. Funding Sources:

3.1. The services described in Exhibit A Amendment #3, Scope of Services, ~~Excluding~~ ^{DS} **EMU**

17-DHHS-OCOM-PHYSI-01-A05

Mary Hitchcock Memorial Hospital

Contractor Initials

Date 10/12/2021

Subsections 4.5.10. and 4.5.11., are funded with:

3.1.1. 40% Other Funds (Medicare, Medicaid & third party insurance);

3.1.2. 28% Federal Funds from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Medical Assistance Program, Code of Federal Domestic Assistance Number (CFDA) 93.778; and

3.1.3. 32% General Funds.

3.2. The services described in Exhibit A Amendment #3, Scope of Services, Subsection 4.5.10 and 4.5.11., are funded with:

3.2.1. 100% General Funds.

3.3. The Department reserves the right to adjust funding sources throughout the Agreement Period and will provide the Contractor reasonable notice of any such changes. Adjustments made may require a mutually agreed upon contract amendment.

3.4. Funds must be used in accordance with the provisions of the specified CFDA numbers.

7. Modify Exhibit B, Amendment #3, Methods and Conditions Precedent to Payment by replacing Section 4, to read:

4. This is a firm, fixed price contract. The Contractor shall provide services under this Agreement based on the Budget specified below per applicable Service Area and State Fiscal Year. The Contractor shall be compensated for providing and delivering the services described in Exhibit A Amendment #3, Scope of Services, on the basis of this Budget.

Budget			
Agreement Period by State Fiscal Year			
Service Area	7/1/2019-6/30/2020	7/1/2020-6/30/2021	7/1/2021-6/30/2022
1: New Hampshire Hospital	\$11,640,759	\$12,717,827	\$13,366,111
2: Glenclyff Home	\$139,309	\$148,447	\$156,475
3: Medicaid	\$408,628	\$432,119	\$455,192
4: Children, Youth & Families	\$396,688	\$392,445	\$725,193
5: Behavioral Health	\$517,056	\$544,803	\$572,319
6: Elderly and Adult Services	\$39,197	\$41,809	\$44,110
7: Developmental Services	\$284,893	\$310,264	\$327,751

EM

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective retroactively to June 1, 2021, 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

10/13/2021
Date

DocuSigned by:
Joseph E. Ribsam, Jr.
Name: Joseph E. Ribsam, Jr.
Title: Director

Mary Hitchcock Memorial Hospital

10/12/2021
Date

DocuSigned by:
Edward J Merrens
Name: Edward J Merrens
Title: Chief clinical officer

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

OFFICE OF THE ATTORNEY GENERAL

DocuSigned by:
J. Christopher Marshall
D58D458E80D4403...

10/13/2021

Date

J. Christopher Marshall

Name:

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:

State of New Hampshire

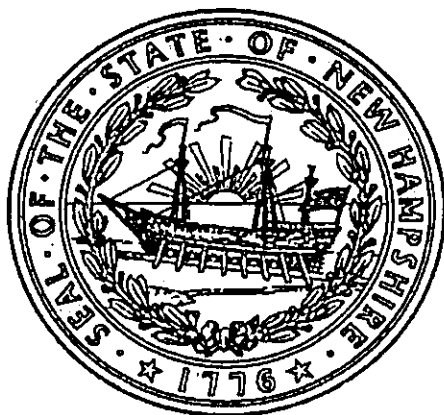
Department of State

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: 0005357410



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 26th day of April A.D. 2021.

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

William M. Gardner
Secretary of State



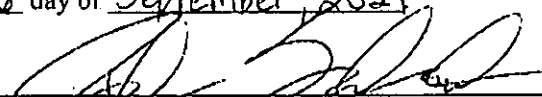
Dartmouth-Hitchcock
Dartmouth-Hitchcock Medical Center
1 Medical Center Drive
Lebanon, NH 03756
Dartmouth-Hitchcock.org

CERTIFICATE OF VOTE/AUTHORITY

I, Edward H. Stansfield, III, of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital, do hereby certify that:

1. I am the duly elected Chair 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 Chair of the Board of Trustees of Dartmouth-Hitchcock Clinic and Mary Hitchcock Memorial Hospital this 16 day of September, 2021

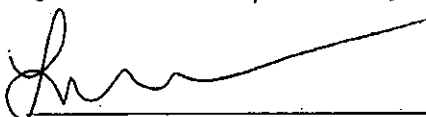


Edward H. Stansfield, III, Board Chair

STATE OF NH
COUNTY OF GRAFTON

The foregoing instrument was acknowledged before me this 16th day of September, 2021, by Edward Stansfield.





Notary Public
My Commission Expires: April 19, 2022

DATE: August 30, 2021

CERTIFICATE OF INSURANCE**COMPANY AFFORDING COVERAGE**

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

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.

INSURED

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

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	
GENERAL LIABILITY		0002021-A	7/1/2021	7/1/2022	EACH OCCURRENCE	\$1,000,000
<input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCURRENCE					DAMAGE TO RENTED PREMISES	\$1,000,000
					MEDICAL EXPENSES	N/A
					PERSONAL & ADV INJURY	\$1,000,000
					GENERAL AGGREGATE	
					PRODUCTS-COMP/OP AGG	\$1,000,000
OTHER						
PROFESSIONAL LIABILITY		0002021-A	07/01/2021	07/01/2022	EACH CLAIM	\$1,000,000
<input checked="" type="checkbox"/> CLAIMS MADE					ANNUAL AGGREGATE	\$3,000,000
<input type="checkbox"/> OCCURENCE						
OTHER						

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


Certificate is issued as evidence of insurance.

CERTIFICATE HOLDER

NH Department 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




DARTHIT-01

ASTOBERT

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/30/2021

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 275 US Route 1 Cumberland Foreside, ME 04110	CONTACT Angela Columbus PHONE (A.C. No. Ext): (774) 233-6204 FAX (A.C. No.): EMAIL: Angela.Columbus@hubinternational.com	
	INSURER(S) AFFORDING COVERAGE	
INSURED Dartmouth-Hitchcock Health 1 Medical Center Dr. Lebanon, NH 03756	INSURER A: Safety National Casualty Corporation NAIC # 15105	
	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	INSUR WOOD	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"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/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 <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	AGC4065185	7/1/2021	7/1/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER 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

Cheshire Medical Center
 Dartmouth-Hitchcock Health
 Mary Hitchcock Memorial Hospital
 Alice Peck Day Memorial Hospital
 New London Hospital Association
 Mt. Asscutney Hospital and Health Center

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



Norris Cotton Cancer Center (NCCC)

NCCC is a designated Comprehensive Cancer Center by the National Cancer Institute, and is one of the premier facilities for cancer treatment, research, prevention, and education. Interdisciplinary teams, devoted to the treatment of specific types of cancer, work together to care for patients of all ages in Lebanon, Manchester, Nashua, Keene, NH, and St. Johnsbury, VT.

Our mission, vision, and 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.

Our values

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

Dartmouth-Hitchcock Health and Subsidiaries

**Consolidated Financial Statements
June 30, 2020 and 2019**

Dartmouth-Hitchcock Health and Subsidiaries
Index
June 30, 2020 and 2019

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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, 2020 and 2019, and the related consolidated statements of operations and changes in net assets and of 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 conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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.

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, 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, 2020 and 2019, and the results of their operations, changes in net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, the Health System changed the manner in which it accounts for leases and the presentation of net periodic pension costs in 2020. Our opinion is not modified with respect to these matters.

Other Matter

Our audit was 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 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 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.

Priscilla Susan Cooper LLP

Boston, Massachusetts
November 17, 2020

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Balance Sheets
June 30, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Assets		
Current assets		
Cash and cash equivalents	\$ 453,223	\$ 143,587
Patient accounts receivable (Note 4)	183,819	221,125
Prepaid expenses and other current assets	161,906	95,495
Total current assets	798,948	460,207
Assets limited as to use (Notes 5 and 7)	1,134,526	876,249
Other investments for restricted activities (Notes 5 and 7)	140,580	134,119
Property, plant, and equipment, net (Note 6)	643,586	621,256
Right of use assets, net (Note 16)	57,585	-
Other assets	137,338	124,471
Total assets	<u>\$ 2,912,563</u>	<u>\$ 2,216,302</u>
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt (Note 10)	\$ 9,467	\$ 10,914
Current portion of right of use obligations (Note 16)	11,775	-
Current portion of liability for pension and other postretirement plan benefits (Note 11 and 14)	3,468	3,468
Accounts payable and accrued expenses	129,016	113,817
Accrued compensation and related benefits	142,991	128,408
Estimated third-party settlements (Note 4 and 17)	302,525	41,570
Total current liabilities	599,242	298,177
Long-term debt, excluding current portion (Note 10)	1,138,530	752,180
Long-term right of use obligations, excluding current portion (Note 16)	46,456	-
Insurance deposits and related liabilities (Note 12)	77,146	58,407
Liability for pension and other postretirement plan benefits, excluding current portion (Note 11 and 14)	324,257	281,009
Other liabilities	143,678	124,136
Total liabilities	<u>2,329,309</u>	<u>1,513,909</u>
Commitments and contingencies (Notes 4, 6, 7, 10, 13, 16 and 17)		
Net assets		
Net assets without donor restrictions (Note 9)	431,026	559,933
Net assets with donor restrictions (Notes 8 and 9)	152,228	142,460
Total net assets	<u>583,254</u>	<u>702,393</u>
Total liabilities and net assets	<u>\$ 2,912,563</u>	<u>\$ 2,216,302</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, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Operating revenue and other support		
Patient service revenue (Note 4)	\$ 1,880,025	\$ 1,999,323
Contracted revenue	74,028	75,017
Other operating revenue (Note 5)	374,622	210,698
Net assets released from restrictions	16,260	14,105
Total operating revenue and other support	<u>2,344,935</u>	<u>2,299,143</u>
Operating expenses		
Salaries	1,144,823	1,062,551
Employee benefits	272,872	262,812
Medications and medical supplies	455,381	407,875
Purchased services and other	360,496	323,435
Medicaid enhancement tax (Note 4)	76,010	70,061
Depreciation and amortization	92,164	88,414
Interest (Note 10)	27,322	25,514
Total operating expenses	<u>2,429,068</u>	<u>2,240,662</u>
Operating (loss) income	<u>(84,133)</u>	<u>58,481</u>
Non-operating gains (losses)		
Investment income, net (Note 5)	27,047	40,052
Other components of net periodic pension and post retirement benefit income (Note 11)	10,810	11,221
Other losses, net (Note 10)	(2,707)	(3,562)
Loss on early extinguishment of debt	-	(87)
Total non-operating gains, net	<u>35,150</u>	<u>47,624</u>
(Deficiency) excess of revenue over expenses	<u>\$ (48,983)</u>	<u>\$ 106,105</u>

Consolidated Statements of Operations and Changes in Net Assets – Continues on Next Page

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 - Continued
Years Ended June 30, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Net assets without donor restrictions		
(Deficiency) excess of revenue over expenses	\$ (48,983)	\$ 106,105
Net assets released from restrictions for capital	1,414	1,769
Change in funded status of pension and other postretirement benefits (Note 11)	(79,022)	(72,043)
Other changes in net assets	(2,316)	-
(Decrease) increase in net assets without donor restrictions	<u>(128,907)</u>	<u>35,831</u>
Net assets with donor restrictions		
Gifts, bequests, sponsored activities	26,312	17,436
Investment income, net	1,130	2,682
Net assets released from restrictions	(17,674)	(15,874)
Contribution of assets with donor restrictions from acquisition	-	383
Increase in net assets with donor restrictions	<u>9,768</u>	<u>4,627</u>
Change in net assets	(119,139)	40,458
Net assets		
Beginning of year	<u>702,393</u>	<u>661,935</u>
End of year	<u>\$ 583,254</u>	<u>\$ 702,393</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, 2020 and 2019

<i>(in thousands of dollars)</i>	2020	2019
Cash flows from operating activities		
Change in net assets	\$ (119,139)	\$ 40,458
Adjustments to reconcile change in net assets to net cash provided by operating and non-operating activities		
Depreciation and amortization	93,857	88,770
Amortization of right of use asset	8,218	-
Payments on right of use lease obligations - operating	(7,941)	-
Change in funded status of pension and other postretirement benefits	79,022	72,043
Gain on disposal of fixed assets	(39)	(1,101)
Net realized gains and change in net unrealized gains on investments	(14,060)	(31,397)
Restricted contributions and investment earnings	(3,605)	(2,292)
Proceeds from sales of securities	-	1,167
Changes in assets and liabilities		
Patient accounts receivable	37,306	(1,803)
Prepaid expenses and other current assets	(78,907)	2,149
Other assets, net	(13,385)	(9,052)
Accounts payable and accrued expenses	9,772	17,898
Accrued compensation and related benefits	14,583	2,335
Estimated third-party settlements	260,955	429
Insurance deposits and related liabilities	18,739	2,378
Liability for pension and other postretirement benefits	(35,774)	(33,104)
Other liabilities	19,542	12,267
Net cash provided by operating and non-operating activities	<u>269,144</u>	<u>161,145</u>
Cash flows from investing activities		
Purchase of property, plant, and equipment	(128,019)	(82,279)
Proceeds from sale of property, plant, and equipment	2,987	2,188
Purchases of investments	(321,152)	(361,407)
Proceeds from maturities and sales of investments	82,986	219,996
Cash received through acquisition	-	4,863
Net cash used in investing activities	<u>(363,198)</u>	<u>(216,639)</u>
Cash flows from financing activities		
Proceeds from line of credit	35,000	30,000
Payments on line of credit	(35,000)	(30,000)
Repayment of long-term debt	(10,665)	(29,490)
Proceeds from issuance of debt	415,336	26,338
Repayment of finance lease	(2,429)	-
Payment of debt issuance costs	(2,157)	(228)
Restricted contributions and investment earnings	3,605	2,292
Net cash provided by (used in) financing activities	<u>403,690</u>	<u>(1,088)</u>
Increase (decrease) in cash and cash equivalents	309,636	(56,582)
Cash and cash equivalents		
Beginning of year	<u>143,587</u>	<u>200,169</u>
End of year	<u>\$ 453,223</u>	<u>\$ 143,587</u>
Supplemental cash flow information		
Interest paid	\$ 22,562	\$ 23,977
Net assets acquired as part of acquisition, net of cash acquired	-	(4,863)
Construction in progress included in accounts payable and accrued expenses	17,177	1,546
Donated securities	-	1,167

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

Dartmouth-Hitchcock Health and Subsidiaries Consolidated Notes to Financial Statements June 30, 2020 and 2019

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 and Subsidiary (APD), and the Visiting Nurse and Hospice for Vermont and New Hampshire and Subsidiaries (VNH). The "Health System" consists of D-HH, its members 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, a continuing care retirement community, 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, Dartmouth-Hitchcock Clinic, Mary Hitchcock Memorial Hospital, The New London Hospital Association, Cheshire Medical Center, and Alice Peck Day Memorial Hospital are NH not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). Windsor Hospital Corporation and the Visiting Nurse and Hospice for VT and NH are VT not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the IRC.

On September 30, 2019, D-HH and GraniteOne Health ("GOH") entered into an agreement ("The Combination Agreement") to combine their respective healthcare systems. The GOH system is comprised of Catholic Medical Center ("CMC"), an acute care community hospital in Manchester, New Hampshire, Huggins Hospital ("HH") located in Wolfeboro, NH and Monadnock Community Hospital, ("MCH") located in Petersborough, NH. Both HH and MCH are designated as Critical Access Hospitals. The three member hospitals of GOH have a combined licensed bed count of 380 beds. GOH is a non-profit, community based health care system. The overarching rationale for the proposed combination is to improve access to high quality primary and specialty care in the most convenient, cost-effective sites of service for patients and the communities served by D-HH and GOH. Other stated benefits of the combination include reinforcing the rural health network, investing in needed capacity to accommodate unmet and anticipated demand, and drawing on our combined strengths to attract the necessary health care workforce. The parties have submitted regulatory filings with the Federal Trade Commission and the New Hampshire Attorney General's office seeking approval of the proposed transaction.

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

Dartmouth-Hitchcock Health and Subsidiaries

Consolidated Notes to Financial Statements

June 30, 2020 and 2019

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.

Certain member hospitals of the Health System file annual Community Benefits Reports with the State of NH which outline the community and charitable benefits each 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 classes, 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.).
- *Health Professions Education* includes uncompensated costs of training medical students, Residents, nurses, and other health care professionals
- *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 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.
- *Financial Contributions* include financial contributions of cash, as well as in-kind contributions such as time, supplies, and expertise to local organizations to address community health needs.
- *Community-Building Activities* include expenses incurred to support the development of programs and partnerships intended to address public health challenges as well as 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 and Costs of Government Sponsored Health Care* includes losses, at-cost, incurred by providing health care services to persons qualifying for hospital financial assistance programs, and uncompensated costs of providing health care services to patients who are Medicaid Beneficiaries.
- *The uncompensated cost of care for Medicaid patients* reported in the unaudited Community Benefits Reports for 2019 was approximately \$143,013,000. The 2020 Community Benefits Reports are expected to be filed in February 2021.

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Notes to Financial Statements
June 30, 2020 and 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, 2019:

(in thousands of dollars)

Government-sponsored healthcare services	\$ 291,013
Health professional education	40,621
Charity care	15,281
Subsidized health services	15,165
Community health services	6,895
Research	5,238
Community building activities	3,777
Financial contributions	1,597
Community benefit operations	1,219
Total community benefit value	<u>\$ 380,806</u>

In fiscal years 2020 and 2019, funds received to offset or subsidize charity care costs provided were \$1,224,000 and \$487,000, respectively.

Dartmouth-Hitchcock Health and Subsidiaries

Consolidated Notes to Financial Statements

June 30, 2020 and 2019

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, net assets without donor restrictions are amounts not subject to donor-imposed stipulations and are available for operations. Net assets with donor restrictions are those whose use has been limited by donors to a specific time period or purpose, or whose use has 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 implicit and explicit pricing concessions, valuation of certain investments, estimated third-party settlements, insurance reserves, and pension obligations. Actual results may differ from those estimates.

(Deficiency) Excess of Revenue over Expenses

The consolidated statements of operations and changes in net assets include the (deficiency) excess of revenue over expenses. Operating revenues consist of those items attributable to the care of patients, including contributions and investment income on investments of net assets without donor restrictions, which are utilized to provide charity and other operational support. Peripheral activities, including contribution of net assets without donor restrictions from acquisitions, loss on early extinguishment of debt, realized gains/losses on sales of investment securities and changes in unrealized gains/losses on investments are reported as non-operating gains (losses).

Changes in net assets without donor restrictions which are excluded from the (deficiency) 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, and change in funded status of pension and other postretirement benefit plans.

Charity Care

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. The amount of charges for implicit price concessions 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 4).

Patient Service Revenue

The Health System applies the accounting provisions of ASC 606, *Revenue from Contracts with Customers* (ASC 606). Patient service revenue is reported at the amount of consideration to which the Health System expects to be entitled from patients, third party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors and implicit pricing concessions. 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 4).

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. Other revenue primarily consists of revenue from retail pharmacy, which the Health System records as customer revenues in the amounts that reflect the consideration to which it expects to be entitled in exchange for the prescription. Other revenue also includes the Department of Health and Human Services ("HHS") Coronavirus Aid, Relief, and Economic Securities Act ("CARES Act" Provider Relief Funds ("Provider Relief Funds") operating agreements, grant revenue, cafeteria sales and other support service revenue.

Cash Equivalents

Cash and cash equivalents include amounts on deposit with financial institutions; short-term investments with maturities of three months or less at the time of purchase and other highly liquid investments, primarily cash management funds. Short-term highly liquid investments held within the endowment and similar investment pools are classified as investments rather than cash equivalents and restricted cash is defined as that which is legally restricted to withdrawal and usage.

Investments and Investment Income

Investments in equity securities with readily determinable fair values, mutual funds, governmental securities, debt securities, and pooled/commingled funds are reported at fair value with changes in fair value included in the (deficiency) 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 7).

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 (deficiency) excess of revenues over expenses. All investments, whether

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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 non-distressed basis.

Certain members 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 assets with donor restrictions, such as endowment funds, were invested in these pooled funds by purchasing units based on the market 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 investments, change in value of equity method investments, interest, and dividends) are included in the (deficiency) 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 9).

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 amounts of patient accounts receivable, prepaid and other current assets, accounts payable and accrued expenses approximate 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

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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.

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 support, and excluded from the (deficiency) 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 interest expense in the consolidated statements of operations and changes in net assets using the straight-line method which approximates the effective interest method.

Intangible Assets and Goodwill

The Health System records within other assets on the consolidated balance sheets goodwill and intangible assets such as trade names and leases-in-place. The Health System considers trade names and goodwill 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 \$10,007,000 and \$10,524,000 as intangible assets associated with its affiliations as of June 30, 2020 and 2019, respectively.

Gifts

Gifts without donor restrictions 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 with donor restrictions 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, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions.

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Recently Issued Accounting Pronouncements

In January 2016, the FASB issued ASU 2016-01- *Recognition and Measurement of Financial Assets and Financial Liabilities*, which addresses 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. The standard has been adopted during the current fiscal year and no material impact was noted.

In February 2016, the FASB issued ASU 2016-02 – *Leases (Topic 842)*. Under the new guidance, lessees are required to recognize the following for all leases (with the exception of leases with a term of twelve months or less) at the commencement date: (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Leases are classified as either operating or finance. Operating leases result in straight-line expense in the statement of operations (similar to previous operating leases), while finance leases result in more expense being recognized in the earlier years of the lease term (similar to previous capital leases). The Health System adopted the new standard on July 1, 2019 using the modified retrospective approach. The Health System elected the transition method that allows for the application of the standard at the adoption date rather than at the beginning of the earliest comparative period presented in the consolidated financial statements. The Health System also elected available practical expedients (Note 16).

In March 2017, the FASB issued ASU 2017-07, *Compensation – Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. Under the new standard, the service cost component of the net benefit cost will be included within income from operations as a component of benefits expenses and the other components of net benefit cost as defined by ASC 715 will be reported in non-operating activities within the consolidated statements of operations and changes in net assets. The standard also prohibits reporting of the other components of net benefit cost in the same line as other pension related changes on the statements of operations and changes in net assets. ASU 2017-07 is effective for the fiscal year ended June 30, 2020 and is applied on a retrospective basis.

Reclassifications

As a result of adopting the provisions of ASU 2017-07, the Health System reclassified \$11,221,000 from benefits expense to non-operating activities within the consolidated statements of operations and changes in net assets for the fiscal year ended June 30, 2019. The amount included in non-operating activities for the fiscal year ending June 30, 2020 was \$10,810,000.

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3. Acquisition

Effective July 1, 2018, Alice Peck Day Memorial Hospital became the sole corporate member of APD LifeCare Center Inc. (LifeCare). LifeCare 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.

In accordance with applicable accounting guidance on not-for-profit mergers and acquisitions, Alice Peck Day Memorial Hospital recorded goodwill related to the acquisition of LifeCare of approximately \$5,131,000. Restricted contribution income of \$383,000 was recorded within net assets with donor restrictions in the accompanying consolidated statement of changes in net assets. Included in the transaction was LifeCare's cash balance of \$4,863,000. No consideration was exchanged for the net assets assumed and acquisition costs were expensed as incurred.

4. Patient Service Revenue and Accounts Receivable

The Health System reports patient service revenue at amounts that reflect the consideration to which it expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payers (including managed care payers and government programs), and others; and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Health System bills patients and third-party payers several days after the services were performed or shortly after discharge. Revenue is recognized as performance obligations are satisfied under contracts by providing healthcare services to patients.

The Health System determines performance obligations based on the nature of the services provided. Revenues for performance obligations satisfied over time are recognized based on actual charges incurred in relation to total expected charges as this method provides a reasonable estimate of the transfer of services over the term of performance obligations based on inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. For inpatient services, performance obligations are measured from admission to the point when there are no further services required for the patient, which is generally the time of discharge. For outpatient services and physician services, performance obligations are recognized at a point in time when the services are provided and no further patient services are deemed necessary.

Generally, the Health System's patient service performance obligations relate to contracts with a duration of less than one year, therefore the Health System has elected to apply the optional exemption provided in ASC 606-10-50-14a and, therefore, we are not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. This generally refers to inpatient services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Established charges represent gross charges. They are not the same as actual pricing, and they generally do not reflect what a hospital is ultimately entitled to for services it provides. Therefore, they are not displayed in the Health System's consolidated statements of operations and changes in net assets.

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Hospitals are paid amounts negotiated with insurance companies or set by government entities, which are typically less than established or standard charges. Gross charges are used to calculate Medicare outlier payments and to determine certain elements of payment under managed care contracts. Gross charges are what hospitals charge all patients prior to the application of contractual adjustments and implicit price concessions.

Explicit Pricing Concessions

Revenues for the Health System under the traditional fee-for service Medicare and Medicaid programs are based on prospectively determined rates per discharge or visit, reasonable (allowable) cost, or prospective rates per episodic period, depending on the type of provider.

- Inpatient acute care services provided to Medicare program beneficiaries are paid using the prospective payment system ("PPS") to determine rates-per-discharge. These rates vary according to a patient classification system ("DRG"), 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, based on a pre-determined amount for each outpatient procedure (APC), subject to various mandated modifications. Retrospectively determined cost-based revenues under these programs, such as indirect medical education, direct graduate medical education, disproportionate share hospital, transplant services, and bad debt reimbursement are based on the hospital's cost reports and are estimated using historical trends and current factors. The Health System's payments for inpatient services rendered to New Hampshire ("NH") and Vermont ("VT") Medicaid beneficiaries are based on PPS, while outpatient services are reimbursed on a retrospective cost basis or fee schedules for NH beneficiaries. VT outpatient beneficiaries are paid on a prospective basis per outpatient procedure.
- Inpatient acute, swing, and outpatient services furnished by critical access hospitals ("CAH") are reimbursed by Medicare at 101% of reasonable costs, subject to 2% sequestration, excluding ambulance services and inpatient hospice care.
- Providers of home health services to patients 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 patient at a rate determined by federal guidelines.
- Hospice services to patients 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.
- The Health System's cost based services to Medicare and Medicaid are reimbursed during the year based on varying interim payment methodologies. Final settlement is determined after the submission of an annual cost report and subject to audit of this report by Medicare and Medicaid auditors, as well as administrative and judicial review. Because the laws, regulations, and rule interpretations, governing Medicare and Medicaid reimbursement are complex and change frequently, the estimates recorded could change over time by material amounts.
- Revenues under Managed Care Plans (Plans) consist primarily of payment terms involving mutually agreed upon rates per diagnosis, discounted fee-for service rates, or similar contractual arrangements. These revenues are also subject to review and possible audit.

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The Plans are billed for patient services on an individual patient basis. An individual patient's bill is subject to adjustments in accordance with contractual terms in place with the Plans following their review and adjudication of each bill.

The Health System is not aware of any claims, disputes, or unsettled matters with any payer that would materially affect its revenues for which it has not adequately provided in the accompanying Health System's consolidated financial statements.

The Health System provides charity care to patients who are unable to pay for healthcare services they receive as determined by financial conditions. Patients who qualify receive partial or full adjustments to charges for services rendered. The Health System's policy is to treat amounts qualified as charity care as explicit price concessions and as such are not reported in net patient service revenue.

Vermont imposes a provider tax on home health agencies in the amount of 4.25% of annual net patient revenue. In fiscal years 2020 and 2019, home health provider taxes paid were \$624,000 and \$628,000, respectively.

Medicaid Enhancement Tax & Disproportionate Share Hospital

On May 22, 2018, the State of New Hampshire and all New Hampshire hospitals (Hospitals) agreed to resolve disputed issues and enter into a seven-year agreement to stabilize Disproportionate Share Hospital (DSH) payments, with provisions for alternative payments in the event of legislative changes to the DSH program. Under the agreement, the State committed to make DSH payments to the Hospitals in an amount no less than 86% of the Medicaid Enhancement Tax (MET) proceeds collected in each fiscal year, in addition to providing for directed payments or increased rates for Hospitals in an amount equal to 5% of MET proceeds collected from state fiscal year (SFY) 2020 through SFY 2024. The agreement prioritizes DSH payments to critical access hospitals in an amount equal to 75% of allowable uncompensated care (UCC), with the remainder distributed to Hospitals without critical access designation in proportion to their allowable UCC amounts.

During the years ended June 30, 2020 and 2019, the Health System received DSH payments of approximately, \$71,133,000 and \$69,179,000 respectively. DSH payments are subject to audit and therefore, for the years ended June 30, 2020 and 2019, the Health System recognized as revenue DSH receipts of approximately \$67,500,000 and approximately \$64,864,000, respectively.

During the years ended June 30, 2020 and 2019, the Health System recorded State of NH MET and State of VT Provider taxes of \$76,010,000 and \$70,061,000, respectively. The taxes are calculated at 5.4% for NH and 6% for VT of certain patient service revenues. The Provider taxes are included in operating expenses in the consolidated statements of operations and changes in net assets.

Implicit Price Concessions

Generally, patients who are covered by third-party payer contracts are responsible for related co-pays, co-insurance and deductibles, which vary depending on the contractual obligations of patients. The Health System also provides services to uninsured patients and offers those patients a discount from standard charges. The Health System estimates the transaction price for patients with co-pays, co-insurance, and deductibles and for those who are uninsured based on historical collection experience and current market conditions. The discount offered to uninsured patients reduces the transaction price at the time of billing. The uninsured and patient responsible

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accounts, net of discounts recorded, are further reduced through implicit price concessions based on historical collection trends for similar accounts and other known factors that impact the estimation process. Subsequent changes to the estimate of transaction price are generally recorded as adjustments to net patient services revenue in the period of change.

The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Health System expects to collect based on collection history with similar patients. Although outcomes vary, the Health System's policy is to attempt to collect amounts due from patients, including co-pays, co-insurance and deductibles due from insurance at the time of service while complying with all federal and state statutes and regulations, including but not limited to, the Emergency Medical Treatment and Active Labor Act (EMTALA). Through various systems and processes the Health System estimates Medicare and Medicaid net patient service revenue and cost report settlements and accrues final expected settlements. For filed cost reports, the accrual is recorded based on those filings, subsequent activity, and on historical trends and other relevant evidence. For periods in which a cost report is yet to be filed, accruals are based on estimates of what is expected to be reported, and any trends and relevant evidence. Cost reports generally must be filed within five months of the closing period.

Settlements with third-party payers for retroactive revenue adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely amount. These settlements are estimated based on the terms of the payment agreement with the payer, correspondence from the payer and historical settlement activity, including assessments to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews or investigations. As of June 30, 2020 and 2019, the Health System had reserves of \$302,525,000 and \$41,570,000, respectively, recorded in Estimated third-party settlements. Included in the 2020 Estimated third party settlements is \$239,500,000 of Medicare accelerated and advanced payments, received as working capital support during the novel coronavirus ("COVID-19") outbreak at June 30, 2020. In addition, \$10,900,000 has been recorded in Other liabilities as of June 30, 2020 and 2019, respectively.

For the years ended June 30, 2020 and 2019, additional increases in revenue of \$2,314,000 and \$1,800,000, respectively, were recognized due to changes in estimates of implicit price concessions for performance obligations satisfied in prior years.

Net operating revenues for the hospital operations of the PPS and CAH, and other business segments consist primarily of patient service revenues, principally for patients covered by Medicare, Medicaid, managed care and other health plans as well as patients covered under the Health System's uninsured discount and charity care programs.

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The table below shows the Health System's sources of net operating revenues presented at the net transaction price for the years ended June 30, 2020 and 2019.

<i>(in thousands of dollars)</i>	2020		
	PPS	CAH	Total
Hospital			
Medicare	\$ 461,990	\$ 64,087	\$ 526,077
Medicaid	130,901	10,636	141,537
Commercial	718,576	60,715	779,291
Self Pay	2,962	2,501	5,463
Subtotal	1,314,429	137,939	1,452,368
Professional			
Professional	383,503	22,848	406,351
VNA	-	-	21,306
Other Revenue	-	-	376,185
Provider Relief Fund	-	-	88,725
Total operating revenue and other support	\$ 1,697,932	\$ 160,787	\$ 2,344,935

<i>(in thousands of dollars)</i>	2019		
	PPS	CAH	Total
Hospital			
Medicare	\$ 456,197	\$ 72,193	\$ 528,390
Medicaid	134,727	12,794	147,521
Commercial	746,647	64,981	811,628
Self Pay	8,811	2,313	11,124
Subtotal	1,346,382	152,281	1,498,663
Professional			
Professional	454,425	23,707	478,132
VNA	-	-	22,528
Other Revenue	-	-	299,820
Total operating revenue and other support	\$ 1,800,807	\$ 175,988	\$ 2,299,143

Accounts Receivable

The following table categorizes payors into four groups based on their respective percentages of patient accounts receivable as of June 30, 2020 and 2019:

	2020	2019
Medicare	36%	34%
Medicaid	13%	12%
Commercial	39%	41%
Self Pay	12%	13%
Patient accounts receivable	100%	100%

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5. Investments

The composition of investments at June 30, 2020 and 2019 is set forth in the following table:

<i>(in thousands of dollars)</i>	2020	2019
Assets limited as to use		
Internally designated by board		
Cash and short-term investments	\$ 9,646	\$ 21,890
U.S. government securities	103,977	91,492
Domestic corporate debt securities	199,462	196,132
Global debt securities	70,145	83,580
Domestic equities	203,010	167,384
International equities	123,205	128,909
Emerging markets equities	22,879	23,086
Real Estate Investment Trust	313	213
Private equity funds	74,131	64,563
Hedge funds	36,964	32,287
	<u>843,732</u>	<u>809,536</u>
Investments held by captive insurance companies (Note 12)		
U.S. government securities	15,402	23,241
Domestic corporate debt securities	8,651	11,378
Global debt securities	8,166	10,080
Domestic equities	15,150	14,617
International equities	7,227	6,766
	<u>54,596</u>	<u>66,082</u>
Held by trustee under indenture agreement (Note 10)		
Cash and short-term investments	236,198	631
Total assets limited as to use	<u>1,134,526</u>	<u>876,249</u>
Other investments for restricted activities		
Cash and short-term investments	7,186	6,113
U.S. government securities	28,055	32,479
Domestic corporate debt securities	35,440	29,089
Global debt securities	11,476	11,263
Domestic equities	26,723	20,981
International equities	15,402	15,531
Emerging markets equities	2,766	2,578
Private equity funds	9,483	7,638
Hedge funds	4,013	8,414
Other	36	33
Total other investments for restricted activities	<u>140,580</u>	<u>134,119</u>
Total investments	<u>\$ 1,275,106</u>	<u>\$ 1,010,368</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 for all debt securities and equity securities that 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, 2020 and 2019. Accounting standards require disclosure of additional information for those securities accounted for using the fair value method, as shown in Note 7.

<i>(in thousands of dollars)</i>	2020		
	Fair Value	Equity	Total
Cash and short-term investments	\$ 253,030	\$ -	\$ 253,030
U.S. government securities	147,434	-	147,434
Domestic corporate debt securities	198,411	45,142	243,553
Global debt securities	44,255	45,532	89,787
Domestic equities	195,014	49,869	244,883
International equities	77,481	68,353	145,834
Emerging markets equities	1,257	24,388	25,645
Real Estate Investment Trust	313	-	313
Private equity funds	-	83,614	83,614
Hedge funds	-	40,977	40,977
Other	36	-	36
	\$ 917,231	\$ 357,875	\$ 1,275,106

<i>(in thousands of dollars)</i>	2019		
	Fair Value	Equity	Total
Cash and short-term investments	\$ 28,634	\$ -	\$ 28,634
U.S. government securities	147,212	-	147,212
Domestic corporate debt securities	164,996	71,603	236,599
Global debt securities	55,520	49,403	104,923
Domestic equities	178,720	24,262	202,982
International equities	76,328	74,878	151,206
Emerging markets equities	1,295	24,369	25,664
Real Estate Investment Trust	213	-	213
Private equity funds	-	72,201	72,201
Hedge funds	-	40,701	40,701
Other	33	-	33
	\$ 652,951	\$ 357,417	\$ 1,010,368

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For the years ended June 30, 2020 and 2019 investment income is reflected in the accompanying consolidated statements of operations and changes in net assets as other operating revenue of approximately \$936,000 and \$983,000 and as non-operating gains of approximately \$27,047,000 and \$40,052,000, 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, 2020 and 2019, the Health System has committed to contribute approximately \$172,819,000 and \$164,319,000 to such funds, of which the Health System has contributed approximately \$119,142,000 and \$109,584,000 and has outstanding commitments of \$53,677,000 and \$54,735,000, respectively.

6. Property, Plant, and Equipment

Property, plant, and equipment are summarized as follows at June 30, 2020 and 2019:

<i>(in thousands of dollars)</i>	2020	2019
Land	\$ 40,749	\$ 38,232
Land improvements	39,820	42,607
Buildings and improvements	893,081	898,050
Equipment	927,233	888,138
Equipment under capital leases	-	15,809
	<u>1,900,883</u>	<u>1,882,836</u>
Less: Accumulated depreciation and amortization	<u>1,356,521</u>	<u>1,276,746</u>
Total depreciable assets, net	544,362	606,090
Construction in progress	99,224	15,166
	<u>\$ 643,586</u>	<u>\$ 621,256</u>

As of June 30, 2020, construction in progress primarily consists of two projects. The first project, started in fiscal 2019, consists of the addition of the ambulatory surgical center (ASC) located in Manchester, NH. The estimated cost to complete the project is \$42 million. The anticipated completion date is the second quarter of fiscal 2021. The second project, involves the addition of the in-patient tower located in Lebanon, NH. The estimated cost to complete the tower project is \$140 million over the next three fiscal years.

The construction in progress as of June 30, 2019, included both the ASC, as well as renovations taking place at the various pharmacy locations to bring their facilities compliant with Regulation USP800. The pharmacy upgrade was completed during the first quarter of fiscal year 2021. Capitalized interest of \$2,297,000 and \$0 is included in Construction in progress as of June 30, 2020 and 2019, respectively.

Depreciation and amortization expense included in operating and non-operating activities was approximately \$92,217,000 and \$88,496,000 for 2020 and 2019, respectively.

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7. 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).

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).

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 the Health System 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, 2020 and 2019:

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<i>(in thousands of dollars)</i>	2020				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Assets						
Investments						
Cash and short term investments	\$ 253,030	\$ -	\$ -	\$ 253,030	Daily	1
U.S. government securities	147,434	-	-	147,434	Daily	1
Domestic corporate debt securities	17,577	180,834	-	198,411	Daily-Monthly	1-15
Global debt securities	22,797	21,458	-	44,255	Daily-Monthly	1-15
Domestic equities	187,354	7,660	-	195,014	Daily-Monthly	1-10
International equities	77,481	-	-	77,481	Daily-Monthly	1-11
Emerging market equities	1,257	-	-	1,257	Daily-Monthly	1-7
Real estate investment trust	313	-	-	313	Daily-Monthly	1-7
Other	2	34	-	36	Not applicable	Not applicable
Total investments	<u>707,245</u>	<u>209,986</u>	<u>-</u>	<u>917,231</u>		
Deferred compensation plan assets						
Cash and short-term investments	5,754	-	-	5,754		
U.S. government securities	51	-	-	51		
Domestic corporate debt securities	7,194	-	-	7,194		
Global debt securities	1,270	-	-	1,270		
Domestic equities	24,043	-	-	24,043		
International equities	3,571	-	-	3,571		
Emerging market equities	27	-	-	27		
Real estate	11	-	-	11		
Multi strategy fund	51,904	-	-	51,904		
Guaranteed contract	-	-	92	92		
Total deferred compensation plan assets	<u>93,825</u>	<u>-</u>	<u>92</u>	<u>93,917</u>	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,202	9,202	Not applicable	Not applicable
Total assets	<u>\$ 801,070</u>	<u>\$ 209,986</u>	<u>\$ 9,294</u>	<u>\$ 1,020,350</u>		
2019						
<i>(in thousands of dollars)</i>	Level 1	Level 2	Level 3	Total	Redemption or Liquidation	Days' Notice
Assets						
Investments						
Cash and short term investments	\$ 28,634	\$ -	\$ -	\$ 28,634	Daily	1
U.S. government securities	147,212	-	-	147,212	Daily	1
Domestic corporate debt securities	34,723	130,273	-	164,996	Daily-Monthly	1-15
Global debt securities	28,412	27,108	-	55,520	Daily-Monthly	1-15
Domestic equities	171,318	7,402	-	178,720	Daily-Monthly	1-10
International equities	76,295	33	-	76,328	Daily-Monthly	1-11
Emerging market equities	1,295	-	-	1,295	Daily-Monthly	1-7
Real estate investment trust	213	-	-	213	Daily-Monthly	1-7
Other	-	33	-	33	Not applicable	Not applicable
Total investments	<u>488,102</u>	<u>164,849</u>	<u>-</u>	<u>652,951</u>		
Deferred compensation plan assets						
Cash and short-term investments	2,952	-	-	2,952		
U.S. government securities	45	-	-	45		
Domestic corporate debt securities	4,932	-	-	4,932		
Global debt securities	1,300	-	-	1,300		
Domestic equities	22,403	-	-	22,403		
International equities	3,576	-	-	3,576		
Emerging market equities	27	-	-	27		
Real estate	11	-	-	11		
Multi strategy fund	48,941	-	-	48,941		
Guaranteed contract	-	-	89	89		
Total deferred compensation plan assets	<u>84,187</u>	<u>-</u>	<u>89</u>	<u>84,276</u>	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,301	9,301	Not applicable	Not applicable
Total assets	<u>\$ 572,289</u>	<u>\$ 164,849</u>	<u>\$ 9,390</u>	<u>\$ 746,528</u>		

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

<i>(in thousands of dollars)</i>	2020		
	Beneficial Interest in Perpetual Trust	Guaranteed Contract	Total
Balances at beginning of year	\$ 9,301	\$ 89	\$ 9,390
Net unrealized (losses) gains	(99)	3	(96)
Balances at end of year	\$ 9,202	\$ 92	\$ 9,294

<i>(in thousands of dollars)</i>	2019		
	Beneficial Interest in Perpetual Trust	Guaranteed Contract	Total
Balances at beginning of year	\$ 9,374	\$ 86	\$ 9,460
Net unrealized (losses) gains	(73)	3	(70)
Balances at end of year	\$ 9,301	\$ 89	\$ 9,390

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, 2020 and 2019:

8. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30, 2020 and 2019:

<i>(in thousands of dollars)</i>	2020	2019
Investments held in perpetuity	\$ 59,352	\$ 56,383
Healthcare services	33,976	20,140
Research	22,116	26,496
Health education	16,849	19,833
Charity care	12,366	12,494
Other	4,488	3,841
Purchase of equipment	3,081	3,273
	\$ 152,228	\$ 142,460

Income earned on donor restricted net assets held in perpetuity is available for these purposes.

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9. 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's net assets with donor restrictions which are to be held in perpetuity consist of (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to be held in perpetuity, 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.

Net assets without donor restrictions include funds designated by the Board of Trustees to function as endowments, 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. Net assets with donor restrictions that are temporary in nature, either restricted by time or purpose, 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 restrictions on these funds have been met, the funds are reclassified to net assets without donor restrictions.

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, 2020 and 2019.

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Endowment net asset composition by type of fund consists of the following at June 30, 2020 and 2019:

<i>(in thousands of dollars)</i>	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 80,039	\$ 80,039
Board-designated endowment funds	33,714	-	33,714
Total endowed net assets	\$ 33,714	\$ 80,039	\$ 113,753

<i>(in thousands of dollars)</i>	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 78,268	\$ 78,268
Board-designated endowment funds	31,421	-	31,421
Total endowed net assets	\$ 31,421	\$ 78,268	\$ 109,689

Changes in endowment net assets for the years ended June 30, 2020 and 2019 are as follows:

<i>(in thousands of dollars)</i>	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Balances at beginning of year	\$ 31,421	\$ 78,268	\$ 109,689
Net investment return	713	1,460	2,173
Contributions	890	2,990	3,880
Transfers	14	267	281
Release of appropriated funds	676	(2,946)	(2,270)
Balances at end of year	\$ 33,714	\$ 80,039	\$ 113,753
Balances at end of year		80,039	
Beneficial interest in perpetual trusts		6,782	
Net assets with donor restrictions		\$ 86,821	

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<i>(in thousands of dollars)</i>	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Balances at beginning of year	\$ 29,506	\$ 78,197	\$ 107,703
Net investment return	1,184	2,491	3,675
Contributions	804	1,222	2,026
Transfers	(73)	(1,287)	(1,360)
Release of appropriated funds	-	(2,355)	(2,355)
Balances at end of year	\$ 31,421	\$ 78,268	\$ 109,689
Balances at end of year		78,268	
Beneficial interest in perpetual trusts		8,422	
Net assets with donor restrictions		\$ 86,690	

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10. Long-Term Debt

A summary of long-term debt at June 30, 2020 and 2019 is as follows:

<i>(in thousands of dollars)</i>	2020	2019
Variable rate issues		
New Hampshire Health and Education Facilities Authority (NHHEFA) Revenue Bonds		
Series 2018A, principal maturing in varying annual amounts, through August 2037 (1)	\$ 83,355	\$ 83,355
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	303,102
Series 2020A, principal maturing in varying annual amounts, through August 2059 (2)	125,000	-
Series 2017A, principal maturing in varying annual amounts, through August 2040 (3)	122,435	122,435
Series 2017B, principal maturing in varying annual amounts, through August 2031 (3)	109,800	109,800
Series 2019A, principal maturing in varying annual amounts, through August 2043 (4)	99,165	-
Series 2018C, principal maturing in varying annual amounts, through August 2030 (5)	25,160	25,865
Series 2012, principal maturing in varying annual amounts, through July 2039 (6)	24,315	25,145
Series 2014A, principal maturing in varying annual amounts, through August 2022 (7)	19,765	26,960
Series 2014B, principal maturing in varying annual amounts, through August 2033 (7)	14,530	14,530
Series 2016B, principal maturing in varying annual amounts, through August 2045 (8)	10,970	10,970
Note payable		
Note payable to a financial institution due in monthly interest only payments through May 2023 (9)	125,000	-
Total obligated group debt	\$ 1,062,597	\$ 722,162

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A summary of long-term debt at June 30, 2020 and 2019 is as follows (continued):

<i>(in thousands of dollars)</i>	2020	2019
Other		
Note payable to a financial institution payable in interest free monthly installments through July 2015; collateralized by associated equipment	\$ 287	\$ 445
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	273	323
Mortgage note payable to the US Dept of Agriculture; monthly payments of \$10,892 include interest of 2.375% through November 2046	2,560	2,629
Obligations under capital leases	-	17,526
Total nonobligated group debt	<u>3,120</u>	<u>20,923</u>
Total obligated group debt	<u>1,062,597</u>	<u>722,162</u>
Total long-term debt	<u>1,065,717</u>	<u>743,085</u>
Add: Original issue premium and discounts, net	89,542	25,542
Less: Current portion	9,467	10,914
Debt issuance costs, net	7,262	5,533
	<u>\$ 1,138,530</u>	<u>\$ 752,180</u>

Aggregate annual principal payments for the next five years ending June 30 and thereafter are as follows:

<i>(in thousands of dollars)</i>	2020
2021	\$ 9,467
2022	9,419
2023	131,626
2024	1,871
2025	1,954
Thereafter	911,380
	<u>\$ 1,065,717</u>

Dartmouth-Hitchcock Obligated Group (DHOG) Debt

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 D-HH, MHMH, DHC, Cheshire, NLH, MAHHC, and, APD. D-HH is designated as the obligated group agent.

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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 2020A Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds Series 2020A in February, 2020. The proceeds from the Series 2020A Revenue Bonds are being used primarily to fund the construction of a 212,000 square foot inpatient pavilion in Lebanon, NH as well as various equipment. The interest on the Series 2020A Revenue Bonds is fixed with an interest rate of 5.00% and matures in variable amounts through 2059.

(3) 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. 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.

(4) Series 2019A Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds Series 2019A in October, 2019. The proceeds from the Series 2019A Revenue Bonds are being used primarily to fund the construction of a 91,000 square foot expansion of facilities in Manchester, NH to include an Ambulatory Surgical Center as well as various equipment. The interest on the Series 2019A Revenue Bonds is fixed with an interest rate of 4.00% and matures in variable amounts through 2043.

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(5) Series 2018C Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2018C in August, 2018. The Series 2018C Revenue Bonds were used primarily to refinance the Series 2010 Revenue Bonds. The interest on the series 2018C Revenue Bonds is fixed with an interest rate of 3.22% and matures in variable amounts through 2030.

(6) 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%), and matures in variable amounts through 2039.

(7) 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.

(8) Series 2016B Revenue Bonds

The DHOG issued NHHEFA Revenue Bonds, Series 2016B in July 2016 through a private placement with a financial institution. The Series 2016B Revenue Bonds were used to finance 2016 projects. The Series 2016B is fixed with an interest rate of 1.78% and matures at various dates through 2045.

(9) Note payable to financial institution

The DHOG issued a note payable to TD Bank in May 2020. Issued in response to the COVID-19 pandemic, the proceeds from the note will be used to fund working capital as needs require. The interest on the note payable is fixed with an interest rate of 2.02% and matures in 2023.

Outstanding joint and several indebtedness of the DHOG at June 30, 2020 and 2019 approximates \$1,062,597,000 and \$722,162,000, respectively.

The Health System Indenture agreements require establishment and maintenance of debt service reserves and other trustee held funds. Trustee held funds of approximately \$236,198,000 and \$631,000 at June 30, 2020 and 2019, respectively, are classified as assets limited as to use in the accompanying consolidated balance sheets (Note 5). In addition, debt service reserves of approximately \$9,286,000 and \$1,331,000 at June 30, 2020 and 2019, respectively, are classified as other current assets in the accompanying consolidated balance sheets. The debt service reserves are mainly comprised of escrowed construction funds at June 30, 2020 and escrowed funds held for future principal and interest payments at June 30, 2019.

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For the years ended June 30, 2020 and 2019 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 \$27,322,000 and \$25,514,000 and other non-operating losses of \$3,784,000 and \$3,784,000, respectively.

11. Employee Benefits

All eligible employees of the Health System are covered under various defined benefit and/or define contribution plans. In addition, certain members 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 and therefore there are no remaining participants earning benefits in any of the Health System's defined benefit plans.

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, 2020 and 2019:

<i>(in thousands of dollars)</i>	2020	2019
Service cost for benefits earned during the year	\$ 170	\$ 150
Interest cost on projected benefit obligation	43,433	47,814
Expected return on plan assets	(62,436)	(65,270)
Net loss amortization	12,032	10,357
Total net periodic pension expense	<u>\$ (6,801)</u>	<u>\$ (6,949)</u>

The following assumptions were used to determine net periodic pension expense as of June 30, 2020 and 2019:

	2020	2019
Discount rate	3.00% - 3.10%	3.90% - 4.60%
Rate of increase in compensation	N/A	N/A
Expected long-term rate of return on plan assets	7.50%	7.50%

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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, 2020 and 2019:

<i>(in thousands of dollars)</i>	2020	2019
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 1,135,523	\$ 1,087,940
Service cost	170	150
Interest cost	43,433	47,814
Benefits paid	(70,778)	(51,263)
Expenses paid	(168)	(170)
Actuarial loss	139,469	93,358
Settlements	(38,549)	(42,306)
	<u>1,209,100</u>	<u>1,135,523</u>
Benefit obligation at end of year		
Change in plan assets		
Fair value of plan assets at beginning of year	897,717	884,983
Actual return on plan assets	121,245	85,842
Benefits paid	(70,778)	(51,263)
Expenses paid	(168)	(170)
Employer contributions	19,986	20,631
Settlements	(38,549)	(42,306)
	<u>929,453</u>	<u>897,717</u>
Fair value of plan assets at end of year	<u>929,453</u>	<u>897,717</u>
Funded status of the plans	(279,647)	(237,806)
Less: Current portion of liability for pension	(46)	(46)
Long term portion of liability for pension	(279,601)	(237,760)
Liability for pension	<u>\$ (279,647)</u>	<u>\$ (237,806)</u>

As of June 30, 2020 and 2019, 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 net assets without donor restrictions include approximately \$546,818,000 and \$478,394,000 of net actuarial loss as of June 30, 2020 and 2019, respectively.

The estimated amounts to be amortized from net assets without donor restrictions into net periodic pension expense in fiscal year 2021 for net actuarial losses is \$12,752,000.

The accumulated benefit obligation for the defined benefit pension plans was approximately \$1,209,282 and \$1,135,770,000 at June 30, 2020 and 2019, respectively.

The following table sets forth the assumptions used to determine the benefit obligation at June 30, 2020 and 2019:

	2020	2019
Discount rate	3.00% - 3.10%	4.20 % - 4.50 %
Rate of increase in compensation	N/A	N/A

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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 both June 30, 2020 and 2019, it is expected that the LDI strategy will hedge approximately 60% 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	40
Global debt securities	6–26	7
Domestic equities	5–35	18
International equities	5–15	11
Emerging market equities	3–13	5
Real estate investment trust funds	0–5	1
Private equity funds	0–5	0
Hedge funds	5–18	10

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 7. 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 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.

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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, 2020 and 2019:

(in thousands of dollars)	2020				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Investments						
Cash and short-term investments	\$ -	\$ 7,154	\$ -	\$ 7,154	Daily	1
U.S. government securities	49,843	-	-	49,843	Daily-Monthly	1-15
Domestic debt securities	133,794	318,259	-	452,053	Daily-Monthly	1-15
Global debt securities	-	69,076	-	69,076	Daily-Monthly	1-15
Domestic equities	152,688	24,947	-	177,635	Daily-Monthly	1-10
International equities	13,555	70,337	-	83,892	Daily-Monthly	1-11
Emerging market equities	-	39,984	-	39,984	Daily-Monthly	1-17
REIT funds	-	2,448	-	2,448	Daily-Monthly	1-17
Private equity funds	-	-	17	17	See Note 7	See Note 7
Hedge funds	-	-	47,351	47,351	Quarterly-Annual	60-96
Total investments	\$ 349,880	\$ 532,205	\$ 47,368	\$ 929,453		

(in thousands of dollars)	2019				Redemption or Liquidation	Days' Notice
	Level 1	Level 2	Level 3	Total		
Investments						
Cash and short-term investments	\$ 166	\$ 18,232	\$ -	\$ 18,398	Daily	1
U.S. government securities	48,580	-	-	48,580	Daily-Monthly	1-15
Domestic debt securities	122,178	273,424	-	395,602	Daily-Monthly	1-15
Global debt securities	428	75,146	-	75,574	Daily-Monthly	1-15
Domestic equities	159,259	18,316	-	177,575	Daily-Monthly	1-10
International equities	17,232	77,146	-	94,378	Daily-Monthly	1-11
Emerging market equities	321	39,902	-	40,223	Daily-Monthly	1-17
REIT funds	357	2,883	-	3,240	Daily-Monthly	1-17
Private equity funds	-	-	21	21	See Note 7	See Note 7
Hedge funds	-	-	44,126	44,126	Quarterly-Annual	60-96
Total investments	\$ 348,521	\$ 505,049	\$ 44,147	\$ 897,717		

The following tables present additional information about the changes in Level 3 assets measured at fair value for the years ended June 30, 2020 and 2019:

(in thousands of dollars)	2020		
	Hedge Funds	Private Equity Funds	Total
Balances at beginning of year	\$ 44,126	\$ 21	\$ 44,147
Net unrealized gains (losses)	3,225	(4)	3,221
Balances at end of year	\$ 47,351	\$ 17	\$ 47,368

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<i>(in thousands of dollars)</i>	2019		
	Hedge Funds	Private Equity Funds	Total
Balances at beginning of year	\$ 44,250	\$ 23	\$ 44,273
Net unrealized losses	(124)	(2)	(126)
Balances at end of year	<u>\$ 44,126</u>	<u>\$ 21</u>	<u>\$ 44,147</u>

The total aggregate net unrealized gains (losses) included in the fair value of the Level 3 investments as of June 30, 2020 and 2019 were approximately \$18,261,000 and \$14,617,000, respectively. There were no transfers into and out of Level 3 measurements during the years ended June 30, 2020 and 2019.

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, 2020 and 2019.

The weighted average asset allocation for the Health System's Plans at June 30, 2020 and 2019 by asset category is as follows:

	2020	2019
Cash and short-term investments	1 %	2 %
U.S. government securities	5	5
Domestic debt securities	49	44
Global debt securities	8	9
Domestic equities	19	20
International equities	9	11
Emerging market equities	4	4
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 \$25,755,000 to the Plans in 2021 however actual contributions may vary from expected amounts.

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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)

2021	\$	51,007
2022		53,365
2023		55,466
2024		57,470
2025		59,436
2026 – 2028		321,419

Effective May 1, 2020, the Health System terminated a defined benefit plan and settled the accumulated benefit obligation of \$18,795,000 by purchasing nonparticipating annuity contracts. The plan assets at fair value were \$11,836,000.

Defined Contribution Plans

The Health System has an employer-sponsored 401(a) plan for certain of its members, 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 \$51,222,000 and \$40,537,000 in 2020 and 2019, 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 member and plan. No employer contributions were made to any of these plans in 2020 and 2019 respectively.

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, 2020 and 2019:

(in thousands of dollars)

	2020	2019
Service cost	\$ 609	\$ 384
Interest cost	1,666	1,842
Net prior service income	(5,974)	(5,974)
Net loss amortization	469	10
	<u>\$ (3,230)</u>	<u>\$ (3,738)</u>

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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, 2020 and 2019:

<i>(in thousands of dollars)</i>	2020	2019
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 46,671	\$ 42,581
Service cost	609	384
Interest cost	1,666	1,842
Benefits paid	(3,422)	(3,149)
Actuarial loss	2,554	5,013
	<u>48,078</u>	<u>46,671</u>
Benefit obligation at end of year	<u>\$ (48,078)</u>	<u>\$ (46,671)</u>
Funded status of the plans		
Current portion of liability for postretirement medical and life benefits	\$ (3,422)	\$ (3,422)
Long term portion of liability for postretirement medical and life benefits	<u>(44,656)</u>	<u>(43,249)</u>
Liability for postretirement medical and life benefits	<u>\$ (48,078)</u>	<u>\$ (46,671)</u>

As of June 30, 2020 and 2019, 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.

Amounts not yet reflected in net periodic postretirement medical and life benefit income and included in the change in net assets without donor restrictions are as follows:

<i>(in thousands of dollars)</i>	2020	2019
Net prior service income	\$ (3,582)	\$ (9,556)
Net actuarial loss	10,335	8,386
	<u>\$ 6,753</u>	<u>\$ (1,170)</u>

The estimated amounts that will be amortized from net assets without donor restrictions into net periodic postretirement income in fiscal year 2021 for net prior service cost is \$5,974,000.

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The following future benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the year ending June 30, 2021 and thereafter:

(in thousands of dollars)

2021	\$	3,422
2022		3,436
2023		3,622
2024		3,642
2025		3,522
2026-2028		16,268

In determining the accumulated postretirement medical and life benefit obligation, the Health System used a discount rate of 2.90% in 2020 and an assumed healthcare cost trend rate of 6.50%, trending down to 5.00% in 2024 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, 2020 and 2019 by \$1,772,000 and \$1,601,000 and the net periodic postretirement medical benefit cost for the years then ended by \$122,000 and \$77,000, 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, 2020 and 2019 by \$1,603,000 and \$1,452,000 and the net periodic postretirement medical benefit cost for the years then ended by \$108,000 and \$71,000, respectively.

12. Professional and General Liability Insurance Coverage

Mary Hitchcock Memorial Hospital and Dartmouth-Hitchcock Clinic, along with Dartmouth College, Cheshire Medical Center, The New London Hospital Association, Mt. Ascutney Hospital and Health Center, and the Visiting Nurse and Hospice for VT and NH 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, 2018 Alice Peck Day Memorial Hospital 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. Mary Hitchcock Memorial Hospital, Dartmouth-Hitchcock Clinic, 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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Selected financial data of HAC and RRG, taken from the latest available financial statements at June 30, 2020 and 2019, are summarized as follows:

	2020		
	HAC	RRG	Total
<i>(in thousands of dollars)</i>			
Assets	\$ 93,686	\$ 1,785	\$ 95,471
Shareholders' equity	13,620	50	13,670
	2019		
	HAC	RRG	Total
<i>(in thousands of dollars)</i>			
Assets	\$ 75,867	\$ 2,201	\$ 78,068
Shareholders' equity	13,620	50	13,670

13. 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.

Lines of Credit

The Health System has entered into Loan Agreements with financial institutions establishing access to revolving loans ranging from \$10,000,000 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 31, 2021. There was no outstanding balance under the lines of credit as of June 30, 2020 and 2019. Interest expense was approximately \$20,000 and \$95,000, respectively, and is included in the consolidated statements of operations and changes in net assets.

14. Functional Expenses

Operating expenses are presented by functional classification in accordance with the overall service missions of the Health System. Each functional classification displays all expenses related to the underlying operations by natural classification. Salaries, employee benefits, medical supplies and medications, and purchased services and other expenses are generally considered variable and are allocated to the mission that best aligns to the type of service provided. Medicaid enhancement tax is allocated to program services. Interest expense is allocated based on usage of debt-financed space. Depreciation and amortization is allocated based on square footage and specific identification of equipment used by department.

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Operating expenses of the Health System by functional and natural basis are as follows for the year ended June 30, 2020:

<i>(in thousands of dollars)</i>	2020			
	Program Services	Management and General	Fundraising	Total
Operating expenses				
Salaries	\$ 981,320	\$ 161,704	\$ 1,799	\$ 1,144,823
Employee benefits	231,361	41,116	395	272,872
Medical supplies and medications	454,143	1,238	-	455,381
Purchased services and other	236,103	120,563	3,830	360,496
Medicaid enhancement tax	76,010	-	-	76,010
Depreciation and amortization	26,110	65,949	105	92,164
Interest	5,918	21,392	12	27,322
Total operating expenses	<u>\$ 2,010,965</u>	<u>\$ 411,962</u>	<u>\$ 6,141</u>	<u>\$ 2,429,068</u>
	Program Services	Management and General	Fundraising	Total
Non-operating income				
Employee benefits	\$ 9,239	\$ 1,549	\$ 22	\$ 10,810
Total non-operating income	<u>\$ 9,239</u>	<u>\$ 1,549</u>	<u>\$ 22</u>	<u>\$ 10,810</u>

Operating expenses of the Health System by functional and natural basis are as follows for the year ended June 30, 2019:

<i>(in thousands of dollars)</i>	2019			
	Program Services	Management and General	Fundraising	Total
Operating expenses				
Salaries	\$ 922,902	\$ 138,123	\$ 1,526	\$ 1,062,551
Employee benefits	188,634	73,845	333	262,812
Medical supplies and medications	406,782	1,093	-	407,875
Purchased services and other	212,209	108,783	2,443	323,435
Medicaid enhancement tax	70,061	-	-	70,061
Depreciation and amortization	37,528	50,785	101	88,414
Interest	3,360	22,135	19	25,514
Total operating expenses	<u>\$ 1,841,476</u>	<u>\$ 394,764</u>	<u>\$ 4,422</u>	<u>\$ 2,240,662</u>
	Program Services	Management and General	Fundraising	Total
Non-operating income				
Employee benefits	\$ 9,651	\$ 1,556	\$ 14	\$ 11,221
Total non-operating income	<u>\$ 9,651</u>	<u>\$ 1,556</u>	<u>\$ 14</u>	<u>\$ 11,221</u>

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15. Liquidity

The Health System is substantially supported by cash generated from operations. In addition, the Health System holds financial assets for specific purposes which are limited as to use. Thus, certain financial assets reported on the accompanying consolidated balance sheet may not be available for general expenditure within one year of the balance sheet date.

The Health System's financial assets available at June 30, 2020 and 2019 to meet cash needs for general expenditures within one year of June 30, 2020 and 2019, are as follows:

<i>(in thousands of dollars)</i>	2020	2019
Cash and cash equivalents	\$ 453,223	\$ 143,587
Patient accounts receivable	183,819	221,125
Assets limited as to use	1,134,526	876,249
Other investments for restricted activities	140,580	134,119
Total financial assets	\$ 1,912,148	\$ 1,375,080
 Less: Those unavailable for general expenditure within one year:		
Investments held by captive insurance companies	54,596	66,082
Investments for restricted activities	140,580	134,119
Bond proceeds held for capital projects	245,484	-
Other investments with liquidity horizons greater than one year	111,408	97,063
Total financial assets available within one year	\$ 1,360,080	\$ 1,077,816

For the years ended June 30, 2020 and June 30, 2019, the Health System generated positive cash flow from operations of approximately \$269,144,000 and \$161,145,000, respectively. In addition, the Health System's liquidity management plan includes investing excess daily cash in intermediate or long term investments based on anticipated liquidity needs. The Health System has an available line of credit of up to \$30,000,000 which it can draw upon as needed to meet its liquidity needs. See Note 13 for further details on the line of credit.

16. Lease Commitments

In February 2016, the FASB issued ASU 2016-02 (Topic 842) "Leases." Topic 842 supersedes the lease requirements in Accounting Standards Codification Topic 840, "Leases." Under Topic 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide enhanced disclosures. Leases will be classified as either finance or operating. D-HH adopted Topic 842 effective July 1, 2019.

D-HH applied Topic 842 to all leases as of July 1, 2019 with comparative periods continuing to be reported under Topic 840. We have elected the practical expedient package to not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases or (iii) initial direct costs for existing leases. We have also elected the policy exemption that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes.

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D-HH determines if an arrangement is or contains a lease at inception of the contract. Right-of-use assets represent our right to use the underlying assets for the lease term and our lease liabilities represent our obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. We use the implicit rate noted within the contract. If not readily available, we use our estimated incremental borrowing rate, which is derived using a collateralized borrowing rate for the same currency and term as the associated lease. A right-of-use asset and lease liability is not recognized for leases with an initial term of 12 months or less and we recognize lease expense for these leases on a straight-line basis over the lease term within lease and rental expense.

Our operating leases are primarily for real estate, including certain acute care facilities, off-campus outpatient facilities, medical office buildings, and corporate and other administrative offices. Our real estate lease agreements typically have initial terms of 5 to 10 years. These real estate leases may include one or more options to renew, with renewals that can extend the lease term from 2 to 5 years. The exercise of lease renewal options is at our sole discretion. When determining the lease term, we included options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

On adoption, the Health System recognized lease liabilities and right-of-use assets of \$60,269,884, respectively.

The components of lease expense for the year ended June 30, 2020 are as follows:

(in thousands of dollars)

	12 months ended June 30, 2020
Operating lease cost	8,992
Variable and short term lease cost (a)	1,497
Total lease and rental expense	<u>10,489</u>
Finance lease cost:	
Depreciation of property under finance lease	2,454
Interest on debt of property under finance lease	524
Total finance lease cost	<u>2,978</u>

(a) Includes equipment, month-to-month and leases with a maturity of less than 12 months.

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Supplemental cash flow information related to leases for the year ended June 30, 2020 are as follows:

<i>(in thousands of dollars)</i>	12 months ended June 30, 2020
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	8,755
Operating cash flows from finance leases	542
Financing cash flows from finance leases	2,429
	<u>\$ 11,726</u>

Supplemental balance sheet information related to leases as of June 30, 2020 are as follows:

<i>(in thousands of dollars)</i>	12 months ended June 30, 2020
Operating Leases	
Right of use assets - operating leases	42,621
Accumulated amortization	(8,425)
Right of use assets - operating leases, net	<u>34,196</u>
Current portion of right of use obligations	9,194
Long-term right of use obligations, excluding current portion	25,308
Total operating lease liabilities	<u>34,502</u>
Finance Leases	
Right of use assets - finance leases	26,076
Accumulated depreciation	(2,687)
Right of use assets - finance leases, net	<u>23,389</u>
Current portion of right of use obligations	2,581
Long-term right of use obligations, excluding current portion	21,148
Total finance lease liabilities	<u>23,729</u>
Weighted Average remaining lease term, years	
Operating leases	4.64
Finance leases	19.39
Weighted Average discount rate	
Operating leases	2.24%
Finance leases	2.22%

Included in the \$42.6 million of right-of-use assets obtained in exchange for operating lease obligations is \$5.6 million of new and modified operating leases entered into during the year ended June 30, 2020. Included in the \$26.1 million of right-of-use assets obtained in exchange for finance lease obligations is \$2.3 million of new and modified operating leases entered into during the year ended June 30, 2020.

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Future maturities of lease liabilities as of June 30, 2020 are as follows:

<i>(in thousands of dollars)</i>	<u>Operating Leases</u>	<u>Finance Leases</u>
Year ending June 30:		
2021	9,852	3,314
2022	8,274	3,003
2023	6,836	2,718
2024	5,650	1,892
2025	3,023	1,109
Thereafter	2,794	17,339
Total lease payments	<u>36,429</u>	<u>29,374</u>
Less: Imputed interest	1,927	5,645
Total lease payments	<u>\$ 34,502</u>	<u>\$ 23,729</u>

Future minimum rental payments under lease commitments with a term of more than one year as of June 30, 2019, prior to our adoption of ASC 842 are as follows:

<i>(in thousands of dollars)</i>	<u>Capital Leases</u>	<u>Operating Leases</u>
Year ending June 30:		
2020	1,706	11,342
2021	1,467	10,469
2022	1,471	7,488
2023	1,494	6,303
2024	1,230	4,127
Thereafter	10,158	5,752
Total lease payments	<u>\$ 17,526</u>	<u>\$ 45,481</u>

The Health System's rental expense totaled approximately \$12,707,000 for the year ended June 30, 2019.

17. COVID - 19

In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic and the United States federal government declared COVID-19 a national emergency. The Health System quickly developed and implemented an emergency response to the situation to ensure the safety of its patients and staff across the System. A key decision was made to postpone elective and non-urgent care in mid-March. Several factors drove that decision, including efforts to reduce the spread of COVID-19; conservation of personal protective equipment ("PPE"), which was and remains in critically short supply worldwide; and at the urging of the CDC and U.S. Surgeon General who in March urged all hospitals to reduce the number of elective procedures and visits.

On March 27, 2020, the President of the United States signed into law the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") to provide economic assistance to a wide array of industries to ease the financial impact of COVID-19. As part of the CARES Act, the Centers for Medicare and Medicaid Services ("CMS") expanded its Accelerated and Advance Payment Program which allows participants to receive expedited payments during periods of national emergencies.

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As of June 30, 2020, the Health System has received approximately \$88,877,000 in governmental assistance including funding under the CARES Act. This includes recognition of approximately \$88,725,000 of stimulus revenue recorded as a component of other operating revenue in the consolidated statements of operations and changes in net assets as a result of satisfying the conditions of general and targeted grant funding under the Provider Relief Fund established by the CARES Act. The Health System recognized revenue related to the CARES Act provider relief funding based on information contained in laws and regulations, as well as interpretations issued by the HHS, governing the funding that was publicly available as of June 30, 2020. The Health System recorded approximately \$239,500,000 attributable to the Medicare Accelerated and Advance Payment Program representing working capital financing to be repaid through the provision of future services. These funds are recorded as a contract liability as a payment received before performing services. This amount is reported as a component of estimated third party settlements in the consolidated balance sheet as of June 30, 2020. Subsequent to June 30, 2020, the Health System received additional stimulus funding attributable to a targeted distribution of approximately \$19,700,000 for Safety Net Hospitals and \$2,500,000 for a general distribution.

Additionally, the CARES Act provides for payroll tax relief, including employee retention tax credits and the deferral of all employer Social Security tax payments to help employers in the face of economic hardship related to the COVID-19 pandemic. As of June 30, 2020, the Health System deferred approximately \$13,727,000 attributable to the employer portion of Social Security taxes and \$2,600,000 of employee retention tax credits. D-HH Leadership has also taken advantage of additional Federal and State programs including the Payroll Tax Deferral, Employee Retention Credit, First Responder Support, Front-Line Employees Hazard Pay Grant Program and FEMA funding to help offset some of the incremental costs being incurred to provide comprehensive and safe care during the pandemic.

18. Subsequent Events

The Health System has assessed the impact of subsequent events through November 17, 2020, 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.

HHS Reporting Requirements for the CARES Act

In September 2020 and October 2020, HHS issued new reporting requirements for the CARES Act provider relief funding. The new requirements first require Hospitals to identify healthcare-related expenses attributable to the COVID-19 pandemic that remain unreimbursed by another source. If those expenses do not exceed the provider relief funding received, Hospitals will need to demonstrate that the remaining provider relief funds were used to compensate for a negative variance in year over year patient service revenue. HHS is entitled to recoup Provider Relief Funding in excess of the sum of expenses attributable to the COVID-19 pandemic that remain unreimbursed by another source and the decline in calendar year over year patient care revenue. Due to these new reporting requirements there is at least a reasonable possibility that amounts recorded under the CARES Act provider relief fund by the Health System may change in future periods.

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Medicare and Medicaid Services (“CMS”) expanded Accelerated and Advance Payment Program

In October 2020, new regulations were issued to revise the recoupment start date from August 2020 to April 2021.

Note Payable Amendment

In October 2020, the note payable issued to TD Bank in May 2020 was amended. Under the amended terms, the interest on the note payable is fixed at a rate of 2.56%, and matures in 2035. Repayment terms are semi-annual, interest only through July 2024, with annual principal payments to begin August 2024. The obligation can be satisfied at any time beforehand, without penalty.

Consolidating Supplemental Information – Unaudited

Dartmouth-Hitchcock Health and Subsidiaries Consolidating Balance Sheets June 30, 2020

<i>(in thousands of dollars)</i>	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	Alice Peck Day Memorial	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	\$ 108,856	\$ 217,352	\$ 43,940	\$ 26,079	\$ 22,874	\$ 14,377	\$ -	\$ 433,478	\$ 19,745	\$ -	\$ 453,223
Patient accounts receivable, net	-	146,886	11,413	8,634	10,200	4,367	-	181,500	2,319	-	183,819
Prepaid expenses and other current assets	-25,243	179,432	37,538	3,908	8,105	1,715	(82,822)	171,019	(8,870)	(243)	161,906
Total current assets	134,099	543,670	92,891	38,521	39,179	20,459	(82,822)	785,997	13,194	(243)	798,948
Assets limited as to use	344,737	927,207	19,376	13,044	12,768	12,090	(235,568)	1,093,654	40,872	-	1,134,526
Notes receivable, related party	848,250	593	-	1,211	-	-	(848,843)	1,211	(1,211)	-	-
Other investments for restricted activities	-	98,490	6,970	97	3,077	6,266	-	114,900	25,680	-	140,580
Property, plant, and equipment, net	8	466,938	64,803	20,805	43,612	16,823	-	612,989	30,597	-	643,586
Right of use assets	1,542	32,714	1,822	17,574	621	3,221	-	57,494	91	-	57,585
Other assets	2,242	122,481	1,299	14,748	5,482	4,603	(10,971)	139,884	(2,546)	-	137,338
Total assets	\$ 1,330,878	\$ 2,192,093	\$ 187,161	\$ 106,000	\$ 104,739	\$ 63,462	\$ (1,178,204)	\$ 2,806,129	\$ 106,677	\$ (243)	\$ 2,912,563
Liabilities and Net Assets											
Current liabilities											
Current portion of long-term debt	\$ -	\$ 7,380	\$ 865	\$ 747	\$ 147	\$ 232	\$ -	\$ 9,371	\$ 96	\$ -	\$ 9,467
Current portion of right of use obligations	338	8,752	420	1,316	259	631	-	11,716	59	-	11,775
Current portion of liability for pension and other postretirement plan benefits	-	3,468	-	-	-	-	-	3,468	-	-	3,468
Accounts payable and accrued expenses	272,764	126,283	39,845	3,087	4,250	3,406	(318,391)	131,244	(1,985)	(243)	129,016
Accrued compensation and related benefits	-	122,392	7,732	3,570	3,875	3,582	-	141,151	1,840	-	142,991
Estimated third-party settlements	-	210,144	34,664	25,421	24,667	6,430	-	301,326	1,199	-	302,525
Total current liabilities	273,102	478,419	83,526	34,141	33,198	14,281	(318,391)	598,276	1,209	(243)	599,242
Notes payable, related party	-	814,525	-	-	27,718	6,600	(848,843)	-	-	-	-
Long-term debt, excluding current portion	1,050,694	37,373	23,617	24,312	147	10,595	(10,970)	1,135,788	2,782	-	1,138,530
Right of use obligations, excluding current portion	1,203	24,290	1,432	16,429	368	2,698	-	46,420	36	-	46,456
Insurance deposits and related liabilities	-	75,697	475	325	388	220	-	77,105	41	-	77,146
Liability for pension and other postretirement plan benefits, excluding current portion	-	301,907	21,840	-	-	511	-	324,258	(1)	-	324,257
Other liabilities	-	117,631	1,506	384	2,026	-	-	121,547	22,131	-	143,678
Total liabilities	1,324,999	1,849,842	132,396	75,591	63,845	34,905	(1,178,204)	2,303,374	26,178	(243)	2,329,309
Commitments and contingencies											
Net assets											
Net assets without donor restrictions	5,524	242,824	47,729	29,464	36,158	21,247	-	382,946	48,040	40	431,026
Net assets with donor restrictions	355	99,427	7,036	945	4,736	7,310	-	119,809	32,459	(40)	152,228
Total net assets	5,879	342,251	54,765	30,409	40,894	28,557	-	502,755	80,499	-	583,254
Total liabilities and net assets	\$ 1,330,878	\$ 2,192,093	\$ 187,161	\$ 106,000	\$ 104,739	\$ 63,462	\$ (1,178,204)	\$ 2,806,129	\$ 106,677	\$ (243)	\$ 2,912,563

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Balance Sheets

June 30, 2020

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD and Subsidiaries	VNH and Subsidiaries	Eliminations	Health System Consolidated
Assets									
Current assets									
Cash and cash equivalents	\$ 108,856	\$ 218,295	\$ 47,642	\$ 22,874	\$ 14,568	\$ 34,072	\$ 6,916	\$ -	\$ 453,223
Patient accounts receivable, net	-	146,887	11,413	10,200	4,439	8,634	2,246	-	183,819
Prepaid expenses and other current assets	25,243	180,137	27,607	6,105	1,737	2,986	1,156	(83,065)	161,906
Total current assets	134,099	545,319	86,662	39,179	20,744	45,692	10,318	(83,065)	798,948
Assets limited as to use	344,737	946,938	18,001	12,768	13,240	13,044	21,366	(235,568)	1,134,526
Notes receivable, related party	848,250	593	-	-	-	-	-	(848,843)	-
Other investments for restricted activities	-	105,869	25,272	3,077	6,265	97	-	-	140,580
Property, plant, and equipment, net	8	469,613	68,374	43,612	18,432	40,126	3,421	-	643,586
Right of use assets	1,542	32,714	1,822	621	3,220	17,574	92	-	57,585
Other assets	2,242	122,647	7,429	5,482	2,152	8,199	158	(10,971)	137,338
Total assets	\$ 1,330,878	\$ 2,223,693	\$ 207,560	\$ 104,739	\$ 64,053	\$ 124,732	\$ 35,355	\$ (1,178,447)	\$ 2,912,563
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	\$ -	\$ 7,380	\$ 865	\$ 147	\$ 257	\$ 747	\$ 71	\$ -	\$ 9,467
Current portion of right of use obligations	338	8,752	420	259	631	1,316	59	-	11,775
Current portion of liability for pension and other postretirement plan benefits	-	3,468	-	-	-	-	-	-	3,468
Accounts payable and accrued expenses	272,762	126,684	35,117	4,251	3,517	3,528	1,791	(318,634)	129,016
Accrued compensation and related benefits	-	122,392	7,732	3,875	3,626	3,883	1,483	-	142,991
Estimated third-party settlements	-	210,143	34,664	24,667	6,430	25,421	1,200	-	302,525
Total current liabilities	273,100	478,819	78,798	33,199	14,461	34,895	4,604	(318,634)	599,242
Notes payable, related party	-	814,525	-	27,718	6,600	-	-	(848,843)	-
Long-term debt, excluding current portion	1,050,694	37,373	23,618	147	10,867	24,312	2,489	(10,970)	1,138,530
Right of use obligations, excluding current portion	1,203	24,290	1,433	368	2,700	16,429	33	-	46,456
Insurance deposits and related liabilities	-	75,697	475	388	222	325	39	-	77,146
Liability for pension and other postretirement plan benefits, excluding current portion	-	301,907	21,840	-	510	-	-	-	324,257
Other liabilities	-	117,631	1,506	2,026	-	22,515	-	-	143,678
Total liabilities	1,324,997	1,850,242	127,670	63,846	35,360	98,476	7,165	(1,178,447)	2,329,309
Commitments and contingencies									
Net assets									
Net assets without donor restrictions	5,526	266,327	48,549	36,158	21,385	24,881	28,160	40	431,026
Net assets with donor restrictions	355	107,124	31,341	4,735	7,308	1,375	30	(40)	152,228
Total net assets	5,881	373,451	79,890	40,893	28,693	26,256	28,190	-	583,254
Total liabilities and net assets	\$ 1,330,878	\$ 2,223,693	\$ 207,560	\$ 104,739	\$ 64,053	\$ 124,732	\$ 35,355	\$ (1,178,447)	\$ 2,912,563

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Balance Sheets

June 30, 2019

(in thousands of dollars)	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	Alice Peck Day Memorial	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	\$ 42,456	\$ 47,485	\$ 9,411	\$ 7,066	\$ 10,482	\$ 8,372	\$ -	\$ 125,232	\$ 18,355	\$ -	\$ 143,587
Patient accounts receivable, net	-	180,938	15,880	7,279	8,960	5,010	-	218,087	3,058	-	221,125
Prepaid expenses and other current assets	14,178	139,034	8,563	2,401	5,567	1,423	(74,083)	97,083	1,421	(3,009)	95,495
Total current assets	56,634	367,437	33,854	16,746	24,989	14,805	(74,083)	440,382	22,834	(3,009)	480,207
Assets limited as to use											
Notes receivable, related party	92,802	688,485	18,759	12,884	12,427	11,619	-	836,576	39,673	-	876,249
Other investments for restricted activities	553,484	752	-	1,408	-	-	(554,236)	1,408	(1,406)	-	-
Property, plant, and equipment, net	22	91,882	8,970	31	2,973	6,323	-	108,179	25,940	-	134,119
Right of use assets	-	432,277	67,147	30,945	41,946	17,797	-	580,134	31,122	-	621,256
Other assets	3,518	108,208	1,279	15,019	6,042	4,388	(10,970)	127,484	(3,013)	-	124,471
Total assets	\$ 706,260	\$ 1,689,041	\$ 128,009	\$ 76,831	\$ 88,377	\$ 54,932	\$ (639,289)	\$ 2,104,161	\$ 115,150	\$ (3,009)	\$ 2,216,302
Liabilities and Net Assets											
Current liabilities											
Current portion of long-term debt	\$ -	\$ 8,226	\$ 830	\$ 954	\$ 547	\$ 262	\$ -	\$ 10,819	\$ 95	\$ -	\$ 10,914
Current portion of right of use obligations	-	-	-	-	-	-	-	-	-	-	-
Current portion of liability for pension and other postretirement plan benefits	-	3,468	-	-	-	-	-	3,468	-	-	3,468
Accounts payable and accrued expenses	55,499	99,884	15,620	6,299	3,878	2,776	(74,083)	109,873	6,953	(3,009)	113,817
Accrued compensation and related benefits	-	110,639	5,851	3,694	2,313	4,270	-	129,767	1,641	-	128,408
Estimated third-party settlements	-	26,405	103	1,290	10,851	2,921	-	41,570	-	-	41,570
Total current liabilities	55,499	248,622	22,404	12,237	17,569	10,229	(74,083)	262,497	8,689	(3,009)	298,177
Notes payable, related party	-	528,202	-	-	28,034	-	(554,236)	-	-	-	-
Long-term debt, excluding current portion	643,257	44,820	24,503	35,804	643	11,465	(10,970)	749,322	2,858	-	752,180
Right of use obligations, excluding current portion	-	-	-	-	-	-	-	-	-	-	-
Insurance deposits and related liabilities	-	56,786	440	513	388	240	-	58,367	40	-	58,407
Liability for pension and other postretirement plan benefits, excluding current portion	-	266,427	10,262	-	-	4,320	-	281,009	-	-	281,009
Other liabilities	-	98,201	1,104	28	1,585	-	-	100,918	23,218	-	124,136
Total liabilities	698,756	1,241,058	58,713	48,382	48,239	26,254	(639,289)	1,482,113	34,805	(3,009)	1,513,909
Commitments and contingencies											
Net assets											
Net assets without donor restrictions	7,486	356,880	63,051	27,653	35,518	21,242	-	511,830	48,063	40	559,933
Net assets with donor restrictions	18	91,103	6,245	796	4,620	7,436	-	110,218	32,282	(40)	142,460
Total net assets	7,504	447,983	69,296	28,449	40,138	28,678	-	622,048	80,345	-	702,393
Total liabilities and net assets	\$ 706,260	\$ 1,689,041	\$ 128,009	\$ 76,831	\$ 88,377	\$ 54,932	\$ (639,289)	\$ 2,104,161	\$ 115,150	\$ (3,009)	\$ 2,216,302

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Balance Sheets

June 30, 2019

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	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	\$ 42,456	\$ 48,052	\$ 11,952	\$ 11,120	\$ 8,549	\$ 15,772	\$ 5,688	\$ -	\$ 143,587
Patient accounts receivable, net	-	180,938	15,880	8,960	5,060	7,280	3,007	-	221,125
Prepaid expenses and other current assets	14,178	139,832	9,460	5,567	1,401	1,678	471	(77,092)	95,495
Total current assets	56,634	368,822	37,292	25,647	15,010	24,730	9,164	(77,092)	460,207
Assets limited as to use	92,602	707,597	17,383	12,427	12,738	12,685	20,817	-	876,249
Notes receivable, related party	553,484	752	-	-	-	-	-	(554,236)	-
Other investments for restricted activities	-	99,807	24,985	2,973	6,323	31	-	-	134,119
Property, plant, and equipment, net	22	434,953	70,846	42,423	19,435	50,338	3,239	-	621,256
Right of use assets	-	-	-	-	-	-	-	-	-
Other assets	3,518	108,366	7,388	5,476	1,931	8,688	74	(10,970)	124,471
Total assets	\$ 706,260	\$ 1,720,297	\$ 157,894	\$ 88,946	\$ 55,437	\$ 96,472	\$ 33,294	\$ (642,298)	\$ 2,216,302
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	\$ -	\$ 8,226	\$ 830	\$ 547	\$ 288	\$ 954	\$ 69	\$ -	\$ 10,914
Current portion of right of use obligations	-	-	-	-	-	-	-	-	-
Current portion of liability for pension and other postretirement plan benefits	-	3,468	-	-	-	-	-	-	3,468
Accounts payable and accrued expenses	55,499	100,441	19,356	3,879	2,856	6,704	2,174	(77,092)	113,817
Accrued compensation and related benefits	-	110,639	5,851	2,313	4,314	4,192	1,099	-	128,408
Estimated third-party settlements	-	26,405	103	10,851	2,921	1,290	-	-	41,570
Total current liabilities	55,499	249,179	26,140	17,590	10,379	13,140	3,342	(77,092)	288,177
Notes payable, related party	-	526,202	-	28,034	-	-	-	(554,236)	-
Long-term debt, excluding current portion	643,257	44,820	24,503	643	11,763	35,604	2,560	(10,970)	752,180
Right of use obligations, excluding current portion	-	-	-	-	-	-	-	-	-
Insurance deposits and related liabilities	-	56,786	440	388	240	513	40	-	58,407
Liability for pension and other postretirement plan benefits, excluding current portion	-	266,427	10,262	-	4,320	-	-	-	281,009
Other liabilities	-	98,201	1,115	1,585	-	23,235	-	-	124,136
Total liabilities	698,756	1,241,615	62,460	48,240	26,702	72,492	5,942	(642,298)	1,513,909
Commitments and contingencies									
Net assets									
Net assets without donor restrictions	7,486	379,498	65,873	36,087	21,300	22,327	27,322	40	559,933
Net assets with donor restrictions	18	99,184	29,561	4,619	7,435	1,653	30	(40)	142,460
Total net assets	7,504	478,682	95,434	40,706	28,735	23,980	27,352	-	702,393
Total liabilities and net assets	\$ 706,260	\$ 1,720,297	\$ 157,894	\$ 88,946	\$ 55,437	\$ 96,472	\$ 33,294	\$ (642,298)	\$ 2,216,302

Dartmouth-Hitchcock Health and Subsidiaries

Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions

Year Ended June 30, 2020

<i>(in thousands of dollars)</i>	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	Alice Peck Day Memorial	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
Operating revenue and other support											
Patient service revenue	\$ -	\$ 1,490,516	\$ 207,416	\$ 65,496	\$ 53,943	\$ 41,349	\$ -	\$ 1,858,720	\$ 21,305	\$ -	\$ 1,880,025
Contracted revenue	5,369	114,906	400	-	10	7,427	(54,543)	73,569	498	(39)	74,028
Other operating revenue	26,349	321,028	16,408	7,179	10,185	7,847	(28,972)	360,022	15,128	(526)	374,622
Net assets released from restrictions	409	13,013	1,315	162	160	84	-	15,143	1,117	-	16,290
Total operating revenue and other support	<u>32,127</u>	<u>1,939,463</u>	<u>225,537</u>	<u>72,837</u>	<u>64,298</u>	<u>56,707</u>	<u>(83,515)</u>	<u>2,307,454</u>	<u>38,048</u>	<u>(567)</u>	<u>2,344,935</u>
Operating expenses											
Salaries	-	947,275	115,777	37,596	33,073	27,600	(34,706)	1,126,615	17,007	1,201	1,144,823
Employee benefits	-	227,138	26,979	6,214	6,741	6,344	(4,864)	268,552	4,009	311	272,872
Medications and medical supplies	-	401,185	36,313	8,390	5,140	2,944	-	453,952	1,429	-	455,381
Purchased services and other	13,615	284,714	31,864	11,839	14,311	13,351	(20,942)	348,552	13,943	(1,999)	360,496
Medicaid enhancement tax	-	59,708	8,476	3,226	2,853	1,747	-	76,010	-	-	76,010
Depreciation and amortization	14	71,106	9,351	3,361	3,601	2,475	-	89,910	2,254	-	92,164
Interest	25,780	23,431	953	908	1,097	252	(25,412)	27,007	315	-	27,322
Total operating expenses	<u>39,409</u>	<u>2,014,539</u>	<u>229,713</u>	<u>71,332</u>	<u>66,816</u>	<u>54,713</u>	<u>(85,924)</u>	<u>2,390,598</u>	<u>38,957</u>	<u>(487)</u>	<u>2,429,068</u>
Operating (loss) margin	<u>(7,282)</u>	<u>(75,076)</u>	<u>(4,176)</u>	<u>1,505</u>	<u>(2,518)</u>	<u>1,994</u>	<u>2,409</u>	<u>(83,144)</u>	<u>(909)</u>	<u>(80)</u>	<u>(84,133)</u>
Non-operating gains (losses)											
Investment income (losses), net	4,877	18,522	714	292	359	433	(198)	24,999	2,048	-	27,047
Other components of net periodic pension and post retirement benefit income	-	8,793	1,883	-	-	134	-	10,810	-	-	10,810
Other (losses) income, net	(3,932)	(1,077)	(569)	(205)	544	4,317	(2,211)	(3,133)	346	80	(2,707)
Total non-operating gains (losses), net	<u>945</u>	<u>26,238</u>	<u>2,028</u>	<u>87</u>	<u>903</u>	<u>4,884</u>	<u>(2,409)</u>	<u>32,676</u>	<u>2,394</u>	<u>80</u>	<u>35,150</u>
(Deficiency) excess of revenue over expenses	<u>(6,337)</u>	<u>(48,838)</u>	<u>(2,148)</u>	<u>1,592</u>	<u>(1,615)</u>	<u>6,878</u>	<u>-</u>	<u>(50,468)</u>	<u>1,485</u>	<u>-</u>	<u>(48,983)</u>
Net assets without donor restrictions											
Net assets released from restrictions for capital	-	564	179	-	344	300	-	1,387	27	-	1,414
Change in funded status of pension and other postretirement benefits	-	(58,513)	(13,321)	-	-	(7,188)	-	(79,022)	-	-	(79,022)
Net assets transferred to (from) affiliates	4,375	(7,269)	(32)	219	1,911	15	-	(781)	781	-	-
Other changes in net assets	-	-	-	-	-	-	-	-	(2,316)	-	(2,316)
Increase in net assets without donor restrictions	<u>\$ (1,982)</u>	<u>\$ (114,056)</u>	<u>\$ (15,322)</u>	<u>\$ 1,811</u>	<u>\$ 640</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ (128,884)</u>	<u>\$ (23)</u>	<u>\$ -</u>	<u>\$ (128,907)</u>

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions
Year Ended June 30, 2020

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD and Subsidiaries	VNH and Subsidiaries	Eliminations	Health System Consolidated
Operating revenue and other support									
Patient service revenue	\$ -	\$ 1,490,516	\$ 207,416	\$ 53,943	\$ 41,348	\$ 65,496	\$ 21,306	\$ -	\$ 1,880,025
Contracted revenue	5,369	115,403	400	10	7,427	-	-	(54,581)	74,028
Other operating revenue	26,349	323,151	16,472	10,185	9,482	16,726	1,757	(29,500)	374,622
Net assets released from restrictions	409	13,660	1,335	160	83	613	-	-	16,260
Total operating revenue and other support	32,127	1,942,730	225,623	64,298	58,340	82,835	23,063	(84,081)	2,344,935
Operating expenses									
Salaries	-	947,275	115,809	33,073	28,477	41,085	12,608	(33,504)	1,144,823
Employee benefits	-	227,138	26,988	6,741	6,517	7,123	2,918	(4,553)	272,872
Medications and medical supplies	-	401,165	36,313	5,140	2,941	8,401	1,421	-	455,381
Purchased services and other	13,615	287,948	32,099	14,311	13,767	14,589	7,108	(22,941)	360,496
Medicaid enhancement tax	-	59,708	8,476	2,853	1,747	3,226	-	-	76,010
Depreciation and amortization	14	71,109	9,480	3,601	2,596	5,004	360	-	92,164
Interest	25,780	23,431	953	1,097	252	1,159	62	(25,412)	27,322
Total operating expenses	39,409	2,017,774	230,118	66,816	56,297	80,587	24,477	(86,410)	2,429,068
Operating (loss) margin	(7,282)	(75,044)	(4,495)	(2,518)	2,043	2,248	(1,414)	2,329	(84,133)
Non-operating gains (losses)									
Investment income (losses), net	4,877	19,361	1,305	359	463	292	588	(198)	27,047
Other components of net periodic pension and post retirement benefit income	-	8,793	1,883	-	134	-	-	-	10,810
Other (losses) income, net	(3,932)	(1,077)	(569)	(25)	4,318	(205)	914	(2,131)	(2,707)
Total non-operating gains (losses), net	945	27,077	2,619	334	4,915	87	1,502	(2,329)	35,150
(Deficiency) excess of revenue over expenses	(6,337)	(47,967)	(1,876)	(2,184)	6,958	2,335	88	-	(48,983)
Net assets without donor restrictions									
Net assets released from restrictions for capital	-	591	179	344	300	-	-	-	1,414
Change in funded status of pension and other postretirement benefits	-	(58,513)	(13,321)	-	(7,188)	-	-	-	(79,022)
Net assets transferred to (from) affiliates	4,377	(7,282)	10	1,911	15	219	750	-	-
Other changes in net assets	-	-	(2,316)	-	-	-	-	-	(2,316)
Increase in net assets without donor restrictions	\$ (1,960)	\$ (113,171)	\$ (17,324)	\$ 71	\$ 85	\$ 2,554	\$ 838	\$ -	\$ (128,907)

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions
Year Ended June 30, 2019

<i>(in thousands of dollars)</i>	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	Alice Peck Day Memorial	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
Operating revenue and other support											
Patient service revenue	\$ -	\$ 1,580,552	\$ 220,255	\$ 69,794	\$ 80,168	\$ 46,029	\$ -	\$ 1,976,796	\$ 22,527	\$ -	\$ 1,999,323
Contracted revenue	5,011	109,051	355	-	-	5,902	(48,100)	74,219	790	8	75,017
Other operating revenue	21,128	188,852	3,407	1,748	4,261	2,289	(22,076)	197,609	13,386	(297)	210,698
Net assets released from restrictions	369	11,556	732	137	177	24	-	12,995	1,110	-	14,105
Total operating revenue and other support	26,508	1,888,011	224,749	71,679	84,604	54,244	(68,176)	2,261,619	37,813	(289)	2,299,143
Operating expenses											
Salaries	-	868,311	107,671	37,297	30,549	26,514	(24,682)	1,045,660	15,785	1,106	1,062,551
Employee benefits	-	217,623	25,983	6,454	5,434	7,152	(3,763)	258,883	3,642	287	262,812
Medications and medical supplies	-	354,201	34,331	8,634	6,298	3,032	-	406,496	1,379	-	407,875
Purchased services and other	11,366	242,108	35,088	15,308	13,528	13,950	(21,176)	310,170	14,887	(1,622)	323,435
Medicaid enhancement tax	-	54,954	8,005	3,062	2,264	1,776	-	70,061	-	-	70,061
Depreciation and amortization	14	69,343	7,977	2,305	3,915	2,360	-	85,914	2,500	-	88,414
Interest	20,677	21,585	1,053	1,169	1,119	228	(20,850)	24,981	533	-	25,514
Total operating expenses	32,057	1,828,123	220,108	74,229	63,107	55,012	(70,471)	2,202,165	38,726	(229)	2,240,662
Operating margin (loss)	(5,549)	59,888	4,641	(2,550)	1,497	(768)	2,295	59,454	(913)	(60)	58,481
Non-operating gains (losses)											
Investment income (losses), net	3,929	32,193	227	469	834	623	(198)	38,077	1,975	-	40,052
Other components of net periodic pension and post retirement benefit income	-	9,277	1,758	-	-	186	-	11,221	-	-	11,221
Other (losses) income, net	(3,784)	1,586	(187)	30	(240)	279	(2,097)	(4,413)	791	60	(3,582)
Loss on early extinguishment of debt	-	-	-	(87)	-	-	-	(87)	-	-	(87)
Total non-operating gains (losses), net	145	43,056	1,798	412	594	1,088	(2,295)	44,798	2,766	60	47,624
(Deficiency) excess of revenue over expenses	(5,404)	102,944	6,439	(2,138)	2,091	320	-	104,252	1,853	-	106,105
Net assets without donor restrictions											
Net assets released from restrictions for capital	-	419	565	-	402	318	-	1,704	65	-	1,769
Change in funded status of pension and other postretirement benefits	-	(65,005)	(7,720)	-	-	682	-	(72,043)	-	-	(72,043)
Net assets transferred to (from) affiliates	10,477	(16,360)	1,939	8,760	128	110	-	5,054	(5,054)	-	-
Increase in net assets without donor restrictions	\$ 5,073	\$ 21,998	\$ 1,223	\$ 6,622	\$ 2,621	\$ 1,430	\$ -	\$ 38,967	\$ (3,136)	\$ -	\$ 35,831

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions
Year Ended June 30, 2019

<i>(in thousands of dollars)</i>	D-HH and Other Subsidiaries	D-H and Subsidiaries	Cheshire and Subsidiaries	NLH and Subsidiaries	MAHHC and Subsidiaries	APD	VNH and Subsidiaries	Eliminations	Health System Consolidated
Operating revenue and other support									
Patient service revenue	\$ -	\$ 1,580,552	\$ 220,254	\$ 60,166	\$ 46,029	\$ 69,794	\$ 22,528	\$ -	\$ 1,999,323
Contracted revenue	5,010	109,842	355	-	5,902	-	-	(46,092)	75,017
Other operating revenue	21,128	188,775	3,549	4,260	3,868	10,951	540	(22,373)	210,698
Net assets released from restrictions	371	12,637	732	177	26	162	-	-	14,105
Total operating revenue and other support	26,509	1,891,806	224,890	64,603	55,825	80,907	23,068	(68,465)	2,299,143
Operating expenses									
Salaries	-	868,311	107,706	30,549	27,319	40,731	11,511	(23,576)	1,062,551
Employee benefits	-	217,623	25,993	5,434	7,319	7,218	2,701	(3,476)	262,812
Medications and medical supplies	-	354,201	34,331	6,298	3,035	8,639	1,371	-	407,875
Purchased services and other	11,366	246,101	35,396	13,390	14,371	18,172	7,437	(22,798)	323,435
Medicaid enhancement tax	-	54,954	8,005	2,264	1,776	3,062	-	-	70,061
Depreciation and amortization	14	69,343	8,125	3,920	2,478	4,194	340	-	88,414
Interest	20,678	21,585	1,054	1,119	228	1,637	63	(20,850)	25,514
Total operating expenses	32,058	1,832,118	220,610	62,974	56,526	83,653	23,423	(70,700)	2,240,662
Operating (loss) margin	(5,549)	59,688	4,280	1,629	(701)	(2,746)	(355)	2,235	58,481
Non-operating gains (losses)									
Investment income (losses), net	3,929	33,310	129	785	645	469	983	(198)	40,052
Other components of net periodic pension and post retirement benefit income	-	9,277	1,758	-	186	-	-	-	11,221
Other (losses) income, net	(3,784)	1,586	(171)	(240)	288	31	765	(2,037)	(3,562)
Loss on early extinguishment of debt	-	-	-	-	-	(87)	-	-	(87)
Total non-operating gains (losses), net	145	44,173	1,716	545	1,119	413	1,748	(2,235)	47,624
(Deficiency) excess of revenue over expenses	(5,404)	103,861	5,996	2,174	418	(2,333)	1,393	-	106,105
Net assets without donor restrictions									
Net assets released from restrictions for capital	-	484	565	402	318	-	-	-	1,769
Change in funded status of pension and other postretirement benefits	-	(65,005)	(7,720)	-	682	-	-	-	(72,043)
Net assets transferred to (from) affiliates	10,477	(16,360)	1,963	128	118	3,629	45	-	-
Increase (decrease) in net assets without donor restrictions	\$ 5,073	\$ 22,980	\$ 804	\$ 2,704	\$ 1,536	\$ 1,296	\$ 1,438	\$ -	\$ 35,831

Dartmouth-Hitchcock Health and Subsidiaries
Note to Supplemental Consolidating Information
June 30, 2020 and 2019

1. Basis of Presentation

The accompanying supplemental consolidating information includes the consolidating balance sheet and the consolidating statement of operations and changes in net assets without donor restrictions of D-HH and its subsidiaries. All intercompany accounts and transactions between D-HH and its 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.

**DARTMOUTH-HITCHCOCK (D-H) | DARTMOUTH-HITCHCOCK HEALTH (D-HH)
BOARDS OF TRUSTEES AND OFFICERS**

Effective: January 1, 2021

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Robert S.D. Higgins, MD, MSHA MHMH/DHC Trustee <i>Nicholas M. Greene Professor and Chair, Dept. of Anesthesiology, Yale School of Medicine</i>	Marc B. Wolpow, JD, MBA MHMH/DHC/D-HH Trustee <i>Co-Chief Executive Officer of Audax Group</i>
Roberta L. Hines, MD MHMH/DHC Trustee <i>Surgeon-in-Chief, The Johns Hopkins Hospital</i>	

ARUN KRISHNAN MD

EDUCATION:

Brookdale Hospital and Medical Center	
* Child and Adolescent Psychiatry Fellowship	Jul 2014- Jun 2016
Brookdale Hospital and Medical Center	
* Residency in Adult Psychiatry (categorical)	Jul 2011- Jun 2014
Medical College Thiruvananthapuram, India	
MBBS (Bachelor of Medicine & Bachelor of Surgery)	Sep 2000- 2006

PROFESSIONAL EXPERIENCE:

Child And Adolescent Psychiatrist	(Dec 2018 – present)
Sunnu Youth Service Center/ Dartmouth Hitchcock Medical Center	
1056 N. River Road, Manchester, NH 03104	

Psychiatrist	(Aug 2018- present)
Counseling Center of New England	
15 trafalgar Sq, Suite 202, Nashua, NH 03063	

Psychiatrist	(Jul 2016- present)
Elliot Hospital	
1 Elliot way, Manchester, NH 03103	

Child Psychiatry Fellowship Training	(Jul 2014 – Jun 2016)
Brookdale UHospital and Medical Center, Brooklyn, NY	

Adult Psychiatry Residency Training	(Jul 2011 - Jun 2014)
Brookdale Hospital and Medical Center, Brooklyn, NY	

VOLUNTEER ACTIVITIES

Research:	Voluntary research assistant	(Apr 2009- Sep 2010)
	Geriatric Psychiatry fellowship program, SUNY Downstate Medical Center, Brooklyn, NY	

- Data collection and interviewing patient's with memory problems and their family.
- Assisted fellows in making posters and in research.

PROFESSIONAL MEMBERSHIPS

- | | | |
|---|-----|---------------|
| • | AMA | 2019-present |
| • | APA | 2011- present |

ACTIVITIES:

- Chief resident for Adult Psychiatry resident July 2013- June 2014.
- Member of House Staff safety council in Brookdale hospital
- Received scholarship to attend Telluride Patient Safety Summer Camp in July 2015.
- Presented poster " Working together to create change:- House staff safety council that create change " as a part of House Staff safety Council at GNYHA Conference Center NY during Symposium on Engaging Residents in Health Care Transformation in January 2016.
- Presented poster in Brookdale health week in October, 2015 on "Patient Safety Event Reporting in Child & Adolescent Psychiatry".
- Delegate for CIR (Committee for Interns and Residents), advocated in using patient care fund for audio video equipment, attending national CIR conference during training.
- Coordinator for QI project aimed at increasing patient compliance to medication by discussing about sexual side effect of medication.
- Attending hospital resident's forum, GME meeting and Departmental meeting and advocated for residents and patient's safety.
- Attended various GMEC meeting and open residents forum in Brookdale Hospital.
- Actively involved in CLER visit in 2013 and 2015 and represented residents.

CERTIFICATION:

- | | |
|--|----------------|
| • Board certified in Adult Psychiatry | 2015- present |
| • Board certified in Child and Adolescent Psychiatry | 2016- present |
| • Medical License in Connecticut medical board | 2015 -2017 |
| • DEA | 2016 - present |
| • Medical License in New Hampshire medical board | 2016 - present |
| • Medical License in Massachusetts | 2017 - present |

Samantha L. Morin, Ph.D.

Curriculum Vitae

EDUCATION

- 08/15/19 **Licensed by the MA Board of Registration of Psychologists**
MA Psychologist License Number: 11130
- 08/11 to 08/17 **Doctor of Philosophy**, Fordham University
Major: Clinical Psychology (APA-Accredited Program)
Concentration: Forensic Psychology
Dissertation: Determining treatment needs and recidivism risk of juveniles with sexual offense adjudications.
Advisor: Keith Cruise, Ph.D., M.L.S.
- 08/07 to 05/09 **Master of Arts**, Roger Williams University
Major: Forensic Psychology (APA-Accredited Program)
Thesis: Understanding perceptions of hypnotically-recovered memories in a civil sexual abuse case.
Advisor: Judith Platania, Ph.D.
- 08/03 to 05/07 **Bachelor of Arts**, Saint Anselm College
Major: Psychology; Minor/Certificate: Forensics
Honors Thesis: Critical incident stress debriefing (CISD): A comparison of law enforcement/arson professionals and college students seeking careers in arson/ law enforcement.
Advisor: Paul Finn, Ph.D.

CLINICAL EXPERIENCE

- 09/19 to present **Forensic Examiner (per diem)**
Office of the Forensic Examiner, Concord, NH
Supervisor: Shannon Bader, PhD, ABPP
- Experiences:*
- Conduct court-ordered evaluations of competence to stand trial.
 - Write comprehensive reports for the court addressing competence to stand trial.
- 09/18 to present **Psychologist II, Adolescent Continuing Care Unit (ACCU) E2**
University of Massachusetts (UMass) Medical School/Worcester Recovery Center and Hospital (WRCH), Worcester, MA
Clinical Director: Eric Benson, Ph.D., BCBA
- Experiences:*
- Conduct trauma-informed and developmentally appropriate individual and family psychotherapy with adolescents on the unit and their families.

- Manage and conduct initial psychology intake assessments (e.g., psychological diagnostic evaluation, trauma assessment, substance use assessment, specialized risk assessment form) with each youth admitted to the unit within first 10 days of admission.
- Manage and conduct risk assessments for youth meeting hospital thresholds (e.g., suicide risk, violence risk, fire-setting risk, elopement risk, problem sexual behavior risk) including record review, youth interview, collateral contact, and composing risk assessment reports.
- Manage, conduct, and supervise psychological testing evaluations for youth indicated by clinical team as in need of evaluation; evaluations typically include self-report and evaluator-administered measures of intelligence, cognition, achievement, and personality. Complete comprehensive evaluation reports including diagnostic information and detailed recommendations are provided to team.
- Provide weekly clinical and testing supervision to psychology graduate student trainees completing practicum at WRCH. Work collaboratively on cases with trainees. Supervise trainees in conducting and writing initial intake assessments, risk assessments, and psychological evaluation reports.
- Work collaboratively with other treatment providers including psychiatrists, social workers, psychology trainees and interns, medical students, nurses, occupational and recreational therapists, and mental health counselors for optimal treatment planning.
- Attend and participate in daily unit rounds, weekly unit treatment team meetings, and weekly psychology department meetings.

Population Served:

- Diverse population of male and female adolescents, ages 13 to 18, with significant trauma and/or persistent mental illness. Four beds are allocated to youth admitted from the courts for forensic evaluations.

08/17 to 08/18

Clinical Psychology Postdoctoral Fellow, Adolescent Risk Assessment/Safety Net
Cambridge Health Alliance (CHA)/Harvard Medical School (HMS), Cambridge, MA
Training Director: Marla Eby, Ph.D.

Supervisors: James Barrett, Ph.D. (preceptor/Safety Net/school-based assessments);
David Stewart, Ph.D. (clinical cases); Dan Sanford, Psy.D. (court clinic); William
Pollack, Ph.D. (didactics)

Safety Net Program Experiences:

- Attended Safety Net collaborative meetings twice per month with professionals and representatives from the Cambridge Police Department, Cambridge Public Schools, CHA, and Department of Human Services-Youth Programs.
- Provided outpatient psychological services (e.g., intake evaluation, individual psychotherapy, referrals) to adolescents referred from the Safety Net program to CHA.
- Provided consultation to partners in the Safety Net collaborative on issues related to adolescent mental health and treatment.
- Collaborated with other Safety Net partners on research projects investigating the effectiveness of the diversion program.

Population Served:

- Racially/ethnically diverse population of male and female adolescents participating in pre-complaint police diversion program and presenting with several risk indicators (e.g., disruptive family life, mental illness, low school achievement, negative peer relations).

School-Based Assessment Experiences:

- Conducted safety, risk, and psychological assessments for the Cambridge Public Schools.
- Consulted with school personnel regarding recommendations for students referred for assessment.

Population Served:

- Racially/ethnically diverse population of male and female adolescents attending school in the Cambridge Public School system and presenting with risk indicators (e.g., externalizing behaviors, aggression, mental illness, school truancy, low school achievement, negative peer relations) referred to the School-Based Services program.

CHA Child/Adolescent Outpatient Clinic Experiences:

- Conducted intake evaluations with adolescents referred to CHA or the Cambridge-Rindge Latin School (CRLS) Teen Health Center for individual psychotherapy.
- Provided outpatient individual and family psychotherapy with adolescents and their parent(s)/guardian(s) at CHA or CRLS.

Population Served:

- Racially/ethnically diverse population of male and female adolescents referred for psychological services at CHA or CRLS and presenting with a range of mental health difficulties (e.g., depression, substance use, anger, anxiety, PTSD, etc.).

Juvenile Court Clinic Experiences:

- Conducted court-ordered evaluations with adolescents and their parent(s)/guardian(s) including Child Requiring Assistance (CRA) petitions, and shadowed Competency to Stand Trial (CST) evaluations, Criminal Responsibility (CR) evaluations, and Section 35 (substance abuse) evaluations.

Population Served:

- Racially/ethnically diverse population of male and female youthful offenders referred for court-ordered evaluations at the Lowell Juvenile Court Clinic.

08/16 to 08/17

Clinical Psychology Pre-Doctoral Intern, Forensic Track

UMass Medical School/WRCH, Worcester, MA

Training Directors: Jack Terry, Ph.D.; Andrea Dinsmore, Psy.D.*Supervisors:* Ashley Murray, Ph.D. (Forensic Service); Phoebe Moore, Ph.D. (Pediatric Anxiety Clinic); Brian Dessureau, Ph.D. (Outpatient Neuropsychology); Jeanna Spannring, Ph.D. (Primary Care/Behavioral Medicine); Brian Denietolis, Psy.D. (Adolescent Inpatient)*Forensic Service (First Major Rotation, 09/16 to 03/17) Experiences:*

- Assisted in conducting forensic evaluations under supervision of a Designated Forensic Psychologist (DFP) including competency to stand trial, criminal responsibility, risk assessment, and need for care and treatment.

- Completed written shadow reports for each forensic evaluation including record review, interview data, testing (when indicated), mental status, clinical opinion of the legal question, and need for care and treatment.
- Conducted testing for court-ordered forensic evaluations including administration and documentation of personality, symptom validity/malingering, and intellectual measures (e.g., PAI, Structured Interview of Reported Symptoms, Validity Indicator Profile, Wechsler Abbreviated Scale of Intelligence- 2nd edition).

Population Served:

- Racially/ethnically diverse population of male and female offenders with severe mental illness (e.g., psychotic disorders, bipolar disorder, depression, substance abuse disorders) admitted to the forensic inpatient unit for court-ordered evaluation and psychiatric stabilization.

Pediatric Anxiety Clinic (Minor Rotation, 12 months) Experiences:

- Conducted anxiety and obsessive-compulsive disorder (OCD)-specific intake evaluations utilizing structured interviewing procedures.
- Conducted empirically supported cognitive-behavioral therapy (CBT) for pediatric anxiety and related disorders, using both family and individual approaches.

Population Served:

- Diverse population of children and adolescents with anxiety, OCD, and related disorders (e.g., generalized anxiety disorder, social anxiety, specific phobias) in a subspecialty outpatient clinic.

Outpatient Neuropsychology (Minor Rotation, 12 months) Experiences:

- Conducted outpatient neuropsychological assessments with patients referred from throughout UMass Memorial Center and outside clinics.
- Completed scoring, interpretation, and writing of reports for full neuropsychological test batteries.

Population Served:

- Racially/ethnically diverse population of children, young adults, and adults with a broad spectrum of neurological, medical, and psychiatric disorders.

Primary Care/Behavioral Medicine (Minor Rotation, 12 months) Experiences:

- Conducted consultation, rapid assessment, and behaviorally-oriented brief psychotherapy to patients in a primary care medical setting.
- Facilitated referrals to internal and external providers (e.g., psychiatric evaluations, long-term psychotherapy, group psychotherapy).

Population Served:

- Racially/ethnically diverse population of young adults and adults presenting at the Primary Care clinic with various comorbid medical (e.g., chronic pain, insomnia, hypertension) and mental health concerns (e.g., anxiety disorders, depression, substance abuse, personality disorders).

Adolescent Inpatient (Second Major Rotation, 03/17 to 08/17) Experiences:

- Conducted trauma-informed and developmentally appropriate individual and family psychotherapy with adolescents on the unit and their families.
- Enhanced and utilized skills in assessment and milieu management, including differential diagnosis, risk management, and the child service delivery system.
- Worked collaboratively with other treatment providers including psychiatrists, social workers, nurses, occupational and recreational therapists, and mental health counselors for optimal treatment planning.

Morin

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Population Served:

- Diverse population of male and female adolescents, ages 13 to 18, with significant trauma and/or persistent mental illness. Four beds are allocated to youth admitted from the courts for forensic evaluations.

09/15 to 03/16

Clinical Psychology Extern, Day Treatment Program

New York City Children's Center- Queens Campus, Bellerose, NY

Supervisors: Diana Miley, Psy.D. (treatment); Amy Daley, Ph.D. (assessment)

Experiences:

- Conducted individual, group, play, and family therapy (e.g., CBT, DBT, behavioral modification) in a fully integrated clinical and educational program.
- Conducted crisis interventions when indicated.
- Completed comprehensive psychological assessments.
- Managed treatment and discharge planning of cases.
- Participated in treatment team activities and attended grand rounds, diagnostic conferences, case conferences, and training lectures.

Population Served:

- Racially/ethnically diverse population of children and adolescents, ages 5 to 14, with severe emotional and behavioral disorders (e.g., ADHD, ODD, Autism Spectrum Disorder, DMDD, Bipolar disorder, Psychosis), and their parents/guardians.

09/14 to 08/15

Clinical Psychology Extern, Psychological Assessment

Bronx Lebanon Hospital Center, Bronx, NY

Supervisors: Ali Khadivi, Ph.D. (adult) & Wen Gu, Ph.D. (child/adolescent)

Experiences:

- Conducted individual psychological assessments including record review, clinical interview, and administration of psychological tests, and developed integrated assessment reports for treatment teams.
- Gained experience with various psychological tests including cognitive (e.g., Montreal Cognitive Assessment), intellectual (e.g., WISC-IV, WAIS-IV), personality (e.g., Rorschach, PAI), among others.
- Attended case conferences and grand rounds.

Populations Served:

- Diverse urban population of children, adolescents, and adults with severe mental illness (e.g., depression, schizophrenia, bipolar disorder, disruptive mood dysregulation disorder) admitted to the inpatient psychiatric units.
- Racially/ethnically diverse population of adolescents and adults with severe mental illness (e.g., bipolar disorder, schizophrenia) attending treatment in the outpatient clinic.

08/14 to 06/15

Forensic Psychology Fellowship

Fordham University Law Clinic, New York, NY

Supervisor: Barry Rosenfeld, Ph.D., A.B.P.P.

Experiences:

Morin

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- Conducted psychological assessments (e.g., risk assessment, diagnostic clarification) and prepared reports for the legal team.
- Consulted with Fordham Law School Professors and Students on Criminal and Federal Litigation cases involving a mental health component.
- Assisted in writing legal briefs involving mental health issues presented in a given case.
- Attended weekly Criminal Defense Clinic and Federal Litigation Clinic seminars, as well as weekly rounds.

Population served:

- Racially/ethnically diverse population of adult criminal defendants and inmates with mental illness (e.g., mood disorders, PTSD, substance abuse disorders).

07/13 to 06/14

Clinical Psychology Extern, Inpatient Assessment/Treatment

Bellevue Hospital Center, Forensic Track, New York, NY

Supervisors: Elizabeth Arias, Ph.D.; Melanie Farkas, Ph.D.; Marilyn Chen, Ph.D.

Experiences:

- Conducted intake assessments, and group (e.g., emotion regulation) and individual psychotherapy (e.g., CBT for psychosis, psychodynamic, behavioral modification, mindfulness, DBT skills) on the inpatient forensic unit.
- Conducted comprehensive psychological assessments (e.g., psychodiagnostic, malingering measures, cognitive testing).
- Attended weekly didactic seminars/case conferences and presented one treatment case.

Population Served:

- Diverse urban population of male offenders with severe mental illness (e.g., psychotic disorders, bipolar disorder, depression, substance abuse disorders) admitted to the forensic inpatient unit for psychiatric stabilization.

08/12 to 05/13

Clinical Psychology Extern, Outpatient Psychotherapy

Hunter College Counseling Center, New York, NY

Supervisor: Ariella Soffer, Ph.D.

Experiences:

- Conducted brief individual psychodynamic psychotherapy.
- Conducted comprehensive intake assessments and completed intake reports.
- Conducted mental health screenings for students on campus.
- Facilitated referrals and collaborated with community services.
- Participated in weekly didactic seminars/case conferences and presented five treatment cases.

Population Served:

- Racially/ethnically diverse population of college students including adolescents, young adults, and adults presenting at the counseling center with various mental health concerns (e.g., anxiety disorders, depression, substance abuse, personality disorders).

10/11 to 09/12

Study Therapist

Project SHARP, New York, NY

Morin

CV 7

Supervisors: Michelle Galietta, Ph.D. & Barry Rosenfeld, Ph.D., A.B.P.P.

Experiences:

- Conducted CBT-based anger management intervention.

Population Served:

- Diverse urban population of male offenders referred for anger management by the NYC courts and Department of Probation.

CLINICAL SUPERVISION EXPERIENCE

- 09/18 to present **Trainee Supervisor**, Adolescent Continuing Care Unit, Worcester Recovery Center and Hospital (WRCH)
- Provide weekly clinical and testing supervision to psychology graduate student trainees completing practicum at WRCH.
- 11/16 to 05/17 **Trainee Supervisor:** Department of Psychology, WRCH
- Provided weekly clinical supervision to third-year graduate student completing externship at WRCH as part of the UMass Medical School/WRCH Clinical Psychology Predoctoral Internship Program.
- 08/14 to 05/15 **Peer Supervisor:** Department of Psychology, Fordham University
- Provided weekly clinical supervision to second-year graduate student as part of the Clinical Supervision and Consultation course (PSYC 8222/8223)

OTHER CLINICAL EXPERIENCE

- 08/08 to 05/09 **Psychology Extern, Outpatient Psychotherapy**
 Arbour Counseling Services, Fall River, MA
Supervisors: Janine Gendreau, M.A. & Donald Whitworth, Ph.D.
Experiences:
- Conducted individual psychotherapy (e.g., supportive, CBT, psychodynamic) and co-led group psychotherapy (e.g., DBT).
 - Completed initial clinical evaluations.
 - Developed and implemented individual treatment plans:
- Population Served:*
- Racially/ethnically diverse population of adolescents and adults with various mental health concerns (e.g., depression, anxiety disorders, substance abuse, relationship issues, anger management issues, eating disorders, bereavement) attending psychotherapy at an outpatient community clinic.
- 08/07 to 08/08. **Support Staff**
 L.I.F.E. Inc., Bristol, RI
Experiences
- Provided therapeutic and emotional support and guidance with decision-making.
 - Utilized behavioral management techniques.
 - Assisted with daily living activities.
- Population Served:*

- Developmentally and physically disabled adults living in a residential group home.

RESEARCH EXPERIENCE

08/11 to 08/16

Research Assistant

Fordham University, Clinical Psychology Ph.D. Program

Project: Adolescent and Parent Perspectives on Teen Risk-Taking Behaviors: Exploring Associations and Ethical Issues (Fordham University Undergraduate Research Grant)

Principal Investigators: Keith Cruise, Ph.D., M.L.S. & Georgia Gaveras, D.O.

Experiences:

- Conducted comprehensive assessments (e.g., Peer Conflict Scale, Inventory of Callous-Unemotional Traits, BASC-2, FASM, UCLA PTSD Index, SASSI-A2, MAYSI-2) with adolescents participating in an outpatient day treatment program for youth with co-occurring mental health and substance abuse disorders, and their parent/guardian.

Project: Initial Validation of the Short-Term Assessment of Risk and Treatability Present Adolescent Version (START-AV) (Fordham University Faculty Research Grant)

Principal Investigator: Keith Cruise, Ph.D., M.L.S.

Experiences:

- Conducted comprehensive structured interviews and assessments (e.g., START-AV, MAYSI-2, SASSI-A2) with juvenile offenders on probation in Bridgeport, CT for the purpose of validating the START-AV.

05/12 to 08/12

Research Assistant

Fordham University, Clinical Psychology Ph.D. Program, Bronx, NY

Project: Differentiating Real versus Feigned Posttraumatic Stress Disorder in a Sample of West African Torture Survivors

Principal Investigators: Rebecca Weiss, M.A. & Barry Rosenfeld, Ph.D., A.B.P.P.

Experiences:

- Conducted comprehensive assessments with adults from West Africa seeking asylum through the Program for Survivors of Torture (PSOT) at Bellevue Hospital. The purpose of the study was to validate measures of malingering (e.g., M-FAST, TOMM, Dot Counting Test, TSI-2) in this population.

06/10 to 09/11

Research Assistant

UMASS Medical School, Department of Psychiatry, Worcester, MA

Project: Women's Risk and Treatment for Intimate Partner Violence (Psychiatry Research Fellowship Award)

Principal Investigator: Laura S. Guy, Ph.D.

Experiences:

- Conducted comprehensive assessments (e.g., PAI, URICA) with female perpetrators of intimate partner violence prior to and following the completion of a group therapy intervention.

10/09 to 08/11

Research Coordinator II

UMASS Medical School, Department of Psychiatry, Worcester, MA

National Youth Screening and Assessment Project

Supervisors: Thomas Grisso, Ph.D. & Valerie Williams, M.A., M.S.

Experiences:

- Provided technical assistance and training on mental health and risk screening and assessment practices to targeted sites in all four states participating in the MacArthur Foundation’s “Models for Change” (MfC) Initiative (Pennsylvania, Washington, Illinois, and Louisiana).
- Assisted juvenile justice programs with the registration, implementation and ongoing use of the Massachusetts Youth Screening Instrument- Version 2 (MAYSI-2).
- Provided technical support to users of MAYSIWARE, the electronic version of the MAYSI-2.

Project: Youth Risk/Needs Assessment for Recidivism: Implementation and Effectiveness Study (John D. & Catherine T. MacArthur Foundation Grant)

Principal Investigator: Gina Vincent, Ph.D.

Co-Investigator: Laura Guy, Ph.D.

Experiences:

- Conducted phone interviews with juvenile probation officers in two states (Louisiana and Pennsylvania) at time points following the implementation of valid risk/needs assessment tools.
- Coded juvenile probation officer interview transcripts according to an established codebook in order to qualitatively examine the outcomes of implementation.

TEACHING EXPERIENCE

01/14 to 05/16 **Instructor:** Department of Psychology, Fordham University

Undergraduate Courses:

Forensic Psychology (PSYC 3820)

Law and Psychology (PSYC 4340)

Graduate Courses:

Clinical Diagnosis Laboratory (PSYC 7121)

09/11 to 05/12 **Teaching Assistant:** Department of Psychology, Fordham University

Undergraduate Courses:

Foundations of Psychology Lab, Three sections (PSYC 1200)

HONORS AND AWARDS

2017 **Outstanding Student Presentation in Corrections Research**
American Psychology-Law Society 2017 Conference Award

2017 **GSA Professional Development Grant**
Fordham University

2017 **GSAS Research Support Grant**
Fordham University

Morin

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- 2012, 2013, 2014 **GSA Travel Award**
Fordham University
- 2008, 2009 **Provost Fund Grant**
Roger Williams University
- 2007 to 2009 **Master of Arts in Forensic Psychology Grant**
Roger Williams University
- 2003 to 2007 **Psi Chi National Honor Society in Psychology**
Saint Anselm College
- 2003 to 2007 **Presidential Scholar Academic Scholarship**
Saint Anselm College
- 2003 to 2007 **Elks Regional Scholar Academic Scholarship**
Elks Club, Worcester, MA
- 2003 to 2007 **Dean's List 8/8 semesters**
Saint Anselm College

PROFESSIONAL SERVICE.

National

- 2015 to Present **Student Reviewer/Reviewer**
Child and Youth Care Forum
- 2012 to Present **Student Reviewer/Reviewer**
International Journal of Forensic Mental Health
- 2010 to 2015 **Student Reviewer**
American Psychology- Law Society Annual Conference
Areas: Risk assessment, developmental/juvenile justice, risk assessment
- 2010 to 2013 **Student Reviewer**
American Psychological Association Annual Conference
Areas: Jury decision making, expert testimony, division 41 proposals
- 2010 **Committee Reviewer**
MacArthur Models for Change 5th Annual Working Conference
Reviewed 35 proposals submitted for inclusion

Departmental

- 2012 to 2014 **Student Interviewer**
Fordham University, Department of Psychology
- 2012 to 2013 **Class Representative**
Fordham University, Department of Psychology

ADDITIONAL TRAININGS

- 2016 **Psychopathy and the Psychopathy Checklist-Revised (PCL-R)**
Worcester Recovery Center and Hospital, Forensic Service, Worcester, MA
Instructor: Ashley Murray, Ph.D.
- 2015 **Juvenile Competence Workshop**
Summer Training Institute, John Jay College, NY, NY
Instructor: Ivan Kruh, Ph.D.
- 2014 **HCR-20 Training**
Fordham University, NY, NY
Instructor: Barry Rosenfeld, Ph.D., A.B.P.P.
- 2013 **MMPI-2-RF Workshop**
Fordham University, NY, NY
Instructor: Yossef Ben-Porath, Ph.D.
- 2009 **Use of the Psychopathy Checklist-Revised, 2nd Edition (PCL-R) and the
Psychopathy Checklist-Revised: Screening Version (PCL: SV)**
UMASS Medical School, Worcester, MA
Instructor: Gina Vincent, Ph.D.
- 2009 **The Structured Assessment of Violence Risk for Youth (SAVRY)**
UMASS Medical School, Worcester, MA
Instructors: Gina Vincent, Ph.D. & Laura Guy, Ph.D.

PUBLICATIONS

Peer-Reviewed Journal Articles

- Holloway, E. D., Cruise, K. R., Morin, S. L., Hinz, H., & Steele, R. (2018). Juvenile probation officers' evaluation of traumatic event exposures and traumatic stress symptoms as responsivity factors in risk assessment and case planning. *Law and Human Behavior, 2*(4): 369-384. doi:10.1037/lhb0000283
- Morin, S. L., Cruise, K. R., Hinz, H., Holloway, E. D., & Chapman, J. F. (2015). Content, structure, and usefulness of juvenile predisposition psychological evaluations. *Child & Youth Care Forum, 44*(6), 893-917. doi: 10.1007/s10566-015-9312-3
- Guy, L. S., Vincent, G. M., Nelson, R., & Fusco-Morin, S. (2014). What do juvenile probation officers think of using the SAVRY and YLS/CMI for case management, and do they use the tools properly. *International Journal of Forensic Mental Health Services, 13*(3), 227-241.
- Vincent, G. M., Guy, L. S., Fusco, S. L., & Gershenson, B. G. (2012). Field Reliability of the SAVRY with Juvenile Probation Officers. *Law and Human Behavior, 36*(3), 225-236.
- Fusco, S. L., & Platania, J. (2011). Understanding perceptions of hypnotically recovered memories in a civil sexual abuse case. *Journal of Forensic Psychology Practice, 11*(4), 330-350.

Book Chapters and Other Publications

1. Viljoen, J. L., Nicholls, T. L., Cruise, K. R., Beneteau-Douglas, J., Desmarais, S. L., Barone, C. C., Petersen, K., **Morin, S. L.**, & Webster, C. D. (2016). *START: AV knowledge guide: A research compendium on the START:AV strength and vulnerability items*. Burnaby, BC: Simon Fraser University.
2. Cruise, K. R., **Morin, S. L.**, & Affleck, K. (2015). Residential interventions with justice involved youth. In K. Heilbrun, D. DeMatteo, & N. Goldstein (Eds.), *Handbook of psychology and juvenile justice*. Washington, DC: American Psychological Association.
3. Models for Change Juvenile Diversion Workgroup (2011). *Juvenile Diversion Guidebook*. Models for Change: Systems Reform in Juvenile Justice.

CONFERENCE PRESENTATIONS

1. **Morin, S. L.**, Barrett, J. G., & Janopaul-Naylor, E. (2018, March). *Mental health and service use outcomes of a pre-complaint police-based juvenile diversion program*. Paper presented at the 2018 Annual Conference of the American Psychology-Law Society, Memphis, Tennessee.
2. Barrett, J. G., **Morin, S. L.**, & Janopaul-Naylor, E. (2018, March). *Effectiveness of a pre-complaint police-based juvenile diversion program in reducing recidivism*. Poster presented at the 2018 Annual Conference of the American Psychology-Law Society, Memphis, Tennessee.
3. **Morin, S. L.**, & Cruise, K. R. (2017, March). *Determining treatment needs and recidivism risk of juveniles with sexual offense adjudications: Primary and secondary C-U traits*. Poster presented at the 2017 Annual Conference of the American Psychology-Law Society, Seattle, Washington.
4. Holloway, E. D., Cruise, K. R., **Morin, S. L.**, Hinz, H., & Viljoen, J. L. (2017, March). *An application of the adherence checklist for the evaluation and reduction of risk (ACERR) to evaluate case plans developed by juvenile probation officers*. Paper presented at the 2017 Annual Conference of the American Psychology-Law Society, Seattle, Washington.
5. Holloway, E. D., Cruise, K. R., **Morin, S. L.**, Hinz, H., & Steele, R. (2016, June). *Risk assessment and case planning by juvenile probation officers: investigating the role of trauma as a responsivity factor*. Paper presented at the 2016 Annual Conference of the International Association of Forensic Mental Health Services, New York, New York.
6. **Morin (Fusco), S. L.**, Cruise, K. R., Hinz, H., Holloway, E., Chapman, J., & Duran, T. (2014, March). *Content, structure, and usefulness of juvenile predisposition psychological evaluations*. Poster presented at the 2014 Annual Conference of the American Psychology-Law Society, New Orleans, Louisiana.
7. Gamache, K., Weipert, R., & **Morin (Fusco), S. L.** (2014, March). *Active shooters: The predictive utility of critical factors on the magnitude of the event*. Symposium presented at the 2014 Annual Conference of the American Psychology-Law Society, New Orleans, Louisiana.
8. **Fusco, S. L.**, Affleck, K. C., Cruise, K. R., Gaveras, G. (2013, March). *Examining co-occurring mental health/risk management needs in at-risk youth: Do parents and youth agree?* Paper presented at the 2013 Annual Conference of the American Psychology-Law Society, Portland, Oregon.
9. **Fusco, S. L.**, Guy, L. S., Nelson, R., Conti, K., Bennet, M. M., Dowd, L., & Vincent, G. (2012, March). *Female perpetrated aggression: Characteristics and treatment needs of anger management group*

- participants*. Poster presented at the 2012 Annual Conference of the American Psychology-Law Society, San Juan, Puerto Rico.
10. **Fusco, S. L.**, Cook, N. E., & Maney, S. (2012, March). *Mental health symptoms among Hispanic youth in juvenile justice: Language and gender differences*. Symposium presented at the 2012 Annual Conference of the American Psychology-Law Society, San Juan, Puerto Rico.
 11. Conti, K., Guy, L. S., Nelson, R., & **Fusco, S. L.** (2012, March). *Investigating the URICA-DV-R among women in anger management group treatment*. Poster presented at the 2012 Annual Conference of the American Psychology-Law Society, San Juan, Puerto Rico.
 12. Gamache, K., Weipert, R. E., Griffen, K., & **Fusco, S. L.** (2012, March). *"I don't like Mondays": An explorative look at the characteristics of Active Shooters*. Poster presented at the 2012 Annual Conference of the American Psychology-Law Society, San Juan, Puerto Rico.
 13. Nelson, R., Guy, L. S., Conti, K., & **Fusco, S. L.** (2012, March). *Female perpetrated intimate partner violence and treatment attrition*. Poster presented at the 2012 Annual Conference of the American Psychology-Law Society, San Juan, Puerto Rico.
 14. Guy, L. S., **Fusco, S. L.**, Hilterman, E., & Vincent, G. M. (2011, June). Experiences using the SAVRY in the field: A comparison of Spanish clinicians and American probation officers. In, *SAVRY risk management, one step ahead of risk assessment*. Symposium presented at the 11th Annual Conference of the International Association of Forensic Mental Health Services (IAFMHS), Barcelona, Spain.
 15. **Fusco, S. L.**, Perrault, R. T., Paiva, M., Cook, N. E., & Vincent, G. M. (2011, March). *Probation officer perceptions of gender differences in youth offending and implications for practice in the field*. Paper presented at the 2011 meeting of the American-Psychology-Law Society, Miami, FL.
 16. Paiva, M., **Fusco, S. L.**, & Vincent, G. M. (2011, March). *Socioeconomic Status: Does it affect juvenile compliance while on probation?* Poster presented at the 2011 meeting of the American-Psychology-Law Society, Miami, FL.
 17. Cook, N. E., **Fusco, S. L.**, Guy, L. S., & Vincent, G. M. (2011, March). Decision making and use of risk/needs assessment tools in juvenile probation. In, *Use of the SAVRY and YLS/CMI in Juvenile Probation: Implementation Study*. Symposium presented at the 2011 meeting of the American-Psychology-Law Society, Miami, FL.
 18. Guy, L. S., **Fusco, S. L.**, Cook, N. E., & Vincent, G. M. (2010, August). Juvenile probation officers' experiences using risk/needs assessment tools in the field. In, E.P. Mulvey & C.A. Schubert (Chairs), *Empirically Based Approaches for Improving the Juvenile Justice System*. Symposium presented at the 118th meeting of the American Psychological Association, San Diego, CA.
 19. Guy, L.S., **Fusco, S. L.**, Cook, N. E., & Vincent, G. M. (2010, May). *Juvenile probation officers' decision-making processes and experiences using risk/needs assessment tools in the field*. Paper presented at the 10th Annual meeting of the International Association of Forensic Mental Health Services, Vancouver, Canada.

20. Gamache, K., Weipert, R., **Fusco, S. L.**, Rowback, J., & Paiva, M. (2009, August). "*She had it coming*": A comparative look at domestic violence blame attributions. Poster presented at the 117th meeting of the American Psychological Association, Toronto, Canada.
21. **Fusco, S. L.**, & Platania, J. (2009, March). *Understanding perceptions of hypnotically-recovered memories in a civil sexual abuse case*. Poster presented at the meeting of the American Psychology-Law Society, San Antonio, TX.
22. Platania, J., Small, R., **Fusco, S. L.**, Miller, M., & Perrault, R. (2008, August). Investigating legal safeguards against prosecutorial misconduct in closing argument. In, V. Stinson (Chair), *Death Penalty*. Paper session conducted at the 116th meeting of the American Psychological Association, Boston, MA.
23. **Fusco, S. L.**, & Finn, P. (2007, March). *Critical incident stress debriefing (CISD): A comparison of law enforcement/arson professionals and college students seeking careers in arson/law enforcement*. Poster presented at the meeting of the Eastern Psychological Association, Philadelphia, PA.

PROFESSIONAL AFFILIATIONS

2013 to Present	Society for a Science of Clinical Psychology (SSCP)
2011 to Present	Association for Psychological Science (APS)
2007 to Present	American Psychological Association (APA): APAGS, Divisions 12, 41, and 53
2006 to Present	Eastern Psychological Association (EPA)

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 1-800-852-3345 Ext. 9200
Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

Lori A. Shibinette
Commissioner

Lori A. Weaver
Deputy Commissioner

February 12, 2021

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, Office of the Commissioner, to amend an existing contract with Mary Hitchcock Memorial Hospital (a component of Dartmouth-Hitchcock) (VC#177160), Lebanon, New Hampshire to provide Physician, Clinical and Administrative Services to meet the specialized health and related clinical and administrative needs of New Hampshire residents, with no change to the price limitation of \$80,594,711 and no change to the contract completion date of June 30, 2022 effective upon Governor and Council approval. 34% General Funds. 66% Other Funds (Medicare, Medicaid & third party insurance).

The original contract was approved by Governor and Council on September 7, 2016, item #6A. It was subsequently amended with Governor and Council approval on January 9, 2019, item #5A, June 19, 2019, (Item #10) and most recently amended with Governor and Council approval on June 24, 2020, item #10.

Funds are available in the following accounts for State Fiscal Year 2021, and are anticipated to be available in State Fiscal Year 2022, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

The purpose of this request is to modify the scope of services to specify monthly full-time equivalent (FTE) reporting as required documentation for contracted clinical staff in response to a recent Legislative Budget Assistant audit. This amendment is consistent with current practices.

The Contractor provides clinical and administrative services to New Hampshire Hospital and provides staffing for all inpatient care units with medical staff, research and general hospital clinical support. The Contractor also oversees a comprehensive Quality Assurance program that ensures New Hampshire Hospital is meeting regulatory performance metrics that focus on excellence of patient care and prioritize a culture of safety.

The Contractor provides expertise, direct psychiatric services, treatment and associated services for residents that include administrative duties and the review of medication use for compliance with federal law at Glencliff Home.

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 2 of 2

The Contractor develops strategic clinical relationships with physicians as well as growing partnerships with academic institutions and deferral agencies, with a focus on quality improvement and the implementation of federal health care reforms to support the Department's responsibility to administer the Medicaid medical assistance program.

The Contractor provides psychiatric services to youth served by the Department that include treatment planning; clinical consultations; assessments to treatment coordinators; program development at the Sununu Youth Services Center and fosters improved interagency collaboration between Juvenile Justice Services, area mental health agencies and New Hampshire Hospital to enhance mental health services of adjudicated youth.

The Contractor provides the personnel needed to help the Department achieve positive outcomes for individuals serviced by the behavioral health program; coordinates long-term care support services and to direct resources where they are needed most; and to provide psychiatric and services and expert guidance and training to the Department's developmental services staff.

The Department will monitor contracted services using the following performance measures:

- Reviewing annual staff performance.
- Auditing Treatment plans
- Adherence to certification guidelines.

As referenced in the General Provisions in the P-37, Paragraph 18, and Exhibit C-1, Revisions to General Provisions, Paragraph 3 of the original contract, the parties have the option to extend the agreement for up to six (6) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is not exercising its option to renew at this time.

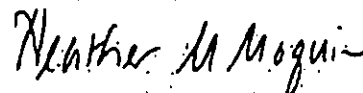
Should the Governor and Council not authorize this request, the Department will not be in compliance with the Legislative Budget Assistant Audit.

Area served: Statewide

Source of Funds: 34% General Funds; 66% Other Funds (Medicare, Medicaid & third party insurance).

The Department will request General Funds in the event that Federal Funds are no longer available and services are still needed.

Respectfully submitted,



Heather M. Moquin
Chief Executive Officer

Dartmouth Contract Amendment #4

FISCAL DETAIL

Budget			
Agreement Period by State Fiscal Year			
Service Area	7/1/2019-6/30/2020	7/1/2020-6/30/2021	7/1/2021-6/30/2022
1: New Hampshire Hospital	\$11,640,759	\$12,717,827	\$13,366,111
2: Glenclyff Home	\$139,309	\$148,447	\$156,475
3: Medicaid	\$408,628	\$432,119	\$455,192
4: Children, Youth & Families	\$396,688	\$392,445	\$413,867
5: Behavioral Health	\$517,056	\$544,803	\$572,319
6: Elderly and Adult Services	\$39,197	\$41,809	\$44,110
7: Developmental Services	\$284,893	\$310,264	\$327,751

Service Area #1

05-95-94-940010-8750 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ACUTE PSYCHIATRIC SERVICES

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	11,640,759	12,717,827	13,366,111

Service Area #2

05-95-91-910010-57100000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: GLENCLIFF, PROFESSIONAL CARE

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
101-500729	Contracts for program services	139,309	148,447	156,475

Service Area #3

05-95-47-470010-50000000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: COMMISSIONERS OFFICE, OFF. OF MEDICAID & BUS POLICY, MEDICAID

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	408,628	432,119	455,193

Service Area #4

05-95-42-421510-79150000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: SUNUNU YOUTH SERVICE CENTER, HEALTH SERVICES.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500730	medical payments to providers	396,688	392,445	413,867

Service Area #5

05-95-92-922010-41170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF MENTAL HEALTH SERVICES, CMH PROGRAM SUPPORT.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	517,056	544,803	572,319

Service Area #6

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
540-500382	Social Service Contracts	39,197	41,809	44,110

Service Area #7

05-95-93-930010-51910000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, SPECIAL MEDICAL SERVICES.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
561-500911	Specialty Services	30,000	30,000	30,000

05-95-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	254,893	280,264	297,751

Total Service Area #7		284,893	310,264	327,751
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**State of New Hampshire
Department of Health and Human Services
Amendment #4**

This Amendment to the Physician Clinical and Administrative Services contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Mary Hitchcock Memorial Hospital ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on September 7, 2016, (Item #6A), as amended on January 9, 2019, (Item #5A), June 19, 2019, (Item #10), and June 24, 2020, (Item #10) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, General Provisions, Paragraph 3, 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, increase the price limitation, or modify the scope of services to support continued delivery of these services; 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:

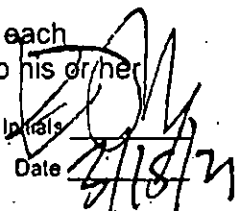
1. Modify Exhibit A, Amendment #3, Scope of Services, Subsection 2.3., Specific Service Requirements for Service Area #1 – New Hampshire Hospital, Paragraph 2.3.3., General Psychiatrist Responsibilities, Subparagraph 2.3.3.4, to read:

2.3.3.4. For Paragraph 2.3.3.2., the term "full-time" shall mean that each psychiatrist shall be required to work 40 hours per week, devoted to his or her duties and responsibilities, subject to the Contractor's normal and customary employee leave policies. It is understood that although psychiatrists will spend the majority of their workday at New Hampshire Hospital, there are times a psychiatrist may work outside of normal business hours to ensure timely care is rendered, or that documentation is completed in a timely fashion. For this reason, the Contractor shall provide reports summarizing full-time equivalent staffing rendered to the hospital for each invoicing period. The Contractor is not required to provide hourly timecards for clinical staff. For non-clinical staff, the Contractor shall provide hourly timecards summarizing hours worked for each invoicing period.

- a. Said required hours must be satisfied through hours devoted to clinical activities at NHH, including direct care and documentation of care.
- b. Psychiatrists may be permitted, subject to prior notice and the approval of both the Chief Medical Officer and the NHH CEO to work up to a maximum of 4 hours per week devoted to educational or research activities so long as those activities further the mission and goals of NHH. Psychiatrists approved for such activities shall provide documentation to the Chief Medical Officer and the NHH CEO that time spent devoted to educational or research activities furthers the mission and goals of NHH.

2. Modify Exhibit A, Amendment #3, Scope of Services, Subsection 3.3, Specific Staffing Requirements – Service Area #1 – New Hampshire Hospital, Paragraph 3.3.1., Chief Medical Officer, Subparagraph 3.3.1.1., Item c. to read:


c. For purposes of this paragraph, the term "full-time" shall mean that each psychiatrist shall be required to work 40 hours per week, devoted to his or her

Handwritten signature and date: 2/18/21

clinical duties and responsibilities at NHH, subject to the Contractor's normal and customary employee leave policies. For this reason, the Contractor shall provide reports summarizing full-time equivalent staffing rendered to the hospital for each invoicing period, but is not required to provide hourly timecards for clinical staff. For non-clinical staff the Contractor shall provide hourly timecards summarizing hours worked for each invoicing period.

3. Modify Exhibit A, Amendment #3, Scope of Services, Subsection 3.3., Specific Staffing Requirements – Service Area #1 – New Hampshire Hospital, Paragraph 3.3.2., Associate Medical Director, Subparagraph 3.3.2.1., Item c. to read:

- c. For the purposes of this paragraph, the term "full-time" shall mean that each psychiatrist shall be required to work 40 hours per week, devoted to his or her clinical duties and responsibilities at NHH, subject to the Contractor's normal and customary employee leave policies. For this reason, the Contractor shall provide reports summarizing full-time equivalent staffing rendered to the hospital for each invoicing period. The Contractor is not required to provide hourly timecards for clinical staff. For non-clinical staff the Contractor shall provide hourly timecards summarizing hours worked for each invoicing period.


12/15/21

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. 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

3/18/2021
Date

DocuSigned by:
Heather M. Moquin
Name: Heather M. Moquin
Title: Chief Executive Officer, New Hampshire Hospital

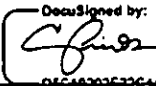
3/15/2021
Date

Mary Hitchcock Memorial Hospital
Edward J. McPherson
Name: EDWARD J. McPHERSON
Title: Chief Clinical Officer

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

OFFICE OF THE ATTORNEY GENERAL

3/18/2021
Date

DocuSigned by:

Name Catherine Pinos
Title Attorney

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

10
man



Lori A. Sibilante
 Commissioner

STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF THE COMMISSIONER

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9200 1-800-852-3345 Ext-9200
 Fax: 603-271-4912 TOD Access: 1-800-735-2964 www.dhhs.nh.gov

June 8, 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, Office of the Commissioner, to amend an existing contract with Mary Hitchcock Memorial Hospital (a component of Dartmouth-Hitchcock) (VC#177160), One Medical Center Drive, Lebanon, New Hampshire, 03756 to provide additional Physician, Clinical and Administrative Services to meet the specialized health and related clinical and administrative needs of residents of the State of New Hampshire, by increasing the price limitation by \$690,600 from \$79,804,111 to \$80,594,711 with no change to the contract completion date of June 30, 2022 effective upon Governor and Council approval. The original contract was approved by Governor and Council on September 7, 2016, (Item #8A), amended subsequently amended on January 9, 2019 (Item #5A), and on June 19, 2019, (Item #10. 34% General Funds. 66% Other Funds (Medicare, Medicaid & third party insurance).

SEE ATTACHED FISCAL DETAILS

EXPLANATION

The purpose of this request is two-fold, the first to allow for assistance in the event of a healthcare system emergency and the second to modify the staffing requirements for New Hampshire Hospital.

The first request is to ensure that in the event of a healthcare system emergency, additional staffing or resources are available to assist in a surge of individuals requiring services under this Agreement. In the event of a healthcare system emergency, the total number of psychiatrists or other medical providers provided by the Contractor may be adjusted to include up to three (3) full-time psychiatrist and / or medical provider positions and one part-time psychiatrist and / or medical provider position to serve any or all of the seven (7) Service Areas identified below:

- Service Area #1 – New Hampshire Hospital
- Service Area #2 – Glenclyff Home
- Service Area #3 – Medicaid
- Service Area #4 – Children, Youth and Families
- Service Area #5 – Behavioral Health
- Service Area #6 – Elderly and Adult Services
- Service Area #7 – Developmental Services

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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Services provided in the event of a healthcare system emergency are invoiced based on actual time worked to serve any or all of the seven (7) service areas listed above. The budget for those services shall be unencumbered per State Fiscal Year as specified below:

Services Provided	7/1/2019-6/30/2020	7/1/2020-6/30/2021	7/1/2021-6/30/2022	Total Additional Costs
Healthcare Emergency	\$230,200	\$230,200	\$230,200	\$690,600

The second request is to modify the staffing requirements in Service Area #1 to account for the increase in adult population and the elimination of children's services at New Hampshire Hospital. This change results in a no cost amendment. The budget of each service area is summarized below.

Budget			
Agreement Period by State Fiscal Year			
Service Area	7/1/2019-6/30/2020	7/1/2020-6/30/2021	7/1/2021-6/30/2022
1: New Hampshire Hospital	\$11,640,759	\$12,717,827	\$13,388,111
2: Glenciff Home	\$138,309	\$148,447	\$156,475
3: Medicaid	\$408,828	\$432,119	\$455,192
4: Children, Youth & Families	\$388,688	\$392,445	\$413,867
5: Behavioral Health	\$517,056	\$544,803	\$572,318
6: Elderly and Adult Services	\$39,197	\$41,809	\$44,110
7: Developmental Services	\$284,893	\$310,264	\$327,751

The Contractor was selected through a competitive bidding process. The Department published a Request for Proposals for Physician Clinical and Administrative Services (RFP-2017-OCOM-01-PHYSI) on the Department of Health and Human Services website on February 25, 2016, and also notified several potentially interested vendors of the release. The Department received one proposal in response. The proposal was evaluated and scored by a team of individuals with comprehensive knowledge of the service areas addressed in the RFP. Based on this evaluation, the Department selected Mary Hitchcock Memorial Hospital to provide these services.

As referenced in the General Provisions in the P-37, Paragraph 18, and Exhibit C-1, Revisions to General Provisions, Paragraph 3, of the original contract, the parties have the option to extend the agreement for up to three (3) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is not exercising its option to renew at this time.

Should the Governor and Executive Council determine to not authorize this request the Department will be limited in its ability to provide essential services in the service areas identified above, thereby putting at risk many of the State's most vulnerable residents.

Area served: Statewide

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 3 of 3

Source of Funds: 34% General Funds; 66% Other Funds (Medicare, Medicaid & third party insurance).

The Department will request General Funds in the event that Other Funds are no longer available and services are still needed.

Heather M. Moquin

Heather M. Moquin
CEO, NHH

Dartmouth Contract Amendment #3

FISCAL DETAIL

Budget			
Agreement Period by State Fiscal Year			
Service Area	7/1/2019-6/30/2020	7/1/2020-6/30/2021	7/1/2021-6/30/2022
1: New Hampshire Hospital	\$11,640,759	\$12,717,827	\$13,366,111
2: Glencliff Home	\$139,309	\$148,447	\$156,475
3: Medicaid	\$408,628	\$432,119	\$455,192
4: Children, Youth & Families	\$396,688	\$392,445	\$413,867
5: Behavioral Health	\$517,056	\$544,803	\$572,319
6: Elderly and Adult Services	\$39,197	\$41,809	\$44,110
7: Developmental Services	\$284,893	\$310,264	\$327,751

Service Area #1

05-95-94-940010-8750 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ACUTE PSYCHIATRIC SERVICES

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	11,640,759	12,717,827	13,366,111

Service Area #2

05-95-91-810010-57100000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: GLENCLIFF, PROFESSIONAL CARE

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
101-500729	Contracts for program services	139,309	148,447	156,475

Service Area #3

05-95-47-470010-50000000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: COMMISSIONERS OFFICE, OFF. OF MEDICAID & BUS POLICY, MEDICAID

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	408,628	432,119	455,193

Service Area #4

05-95-42-421510-79150000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: SUNUNU YOUTH SERVICE CENTER, HEALTH SERVICES.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500730	medical payments to providers	396,688	392,445	413,867

Service Area #5

05-95-92-922010-41170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT. HHS: BEHAVIORAL HEALTH DIV, BUREAU OF MENTAL HEALTH SERVICES, CMH PROGRAM SUPPORT.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services	517,056	544,803	572,319

Service Area #6

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADM ON AGING GRANTS.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
540-500382	Social Service Contracts	39,197	41,809	44,110

Service Area #7

05-95-93-930010-51910000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, SPECIAL MEDICAL SERVICES.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
561-500911	Specialty Services	30,000	30,000	30,000

05-95-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT.

Class/ Object	Class Title	Budget FY2020	Budget FY2021	Budget FY2021
102-500731	Contracts for program services.	254,893	280,264	297,751

Total Service Area #7		284,893	310,264	327,751
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Jeffrey A. Meyers
Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9389 1-800-852-3345 Ext. 9389
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

June 4, 2019

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 to exercise a renewal option and amend an existing agreement with Mary Hitchcock Memorial Hospital (a component of Dartmouth-Hitchcock - Vendor #177160) of One Medical Center Drive, Lebanon, New Hampshire, 03756, for the provision of Physician Clinical and Administrative Services to meet the specialized health and related clinical and administrative needs of the residents of the State of New Hampshire, by increasing the price limitation by \$43,350,069 from \$36,554,042 to an amount not to exceed \$79,904,111, and by extending the completion date from June 30, 2019 to June 30, 2022, effective upon Governor and Executive Council approval. 28% Federal Funds, 32% General Funds, and 40% Other Funds.

This agreement was originally approved by the Governor and Executive Council on September 7, 2016, (Item #6A), and subsequently amended on January 9, 2019 (Item # 5A).

Funds are anticipated to be available in the following accounts for State Fiscal Years 2020, 2021, and 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.

SEE ATTACHED FISCAL DETAILS

EXPLANATION

The purpose of this request is to continue to provide physician clinical and administrative services to specific populations served by the Department in the seven (7) distinct service areas listed below:

- Service Area #1 – New Hampshire Hospital
- Service Area #2 – Glenclyff Home
- Service Area #3 – Medicaid
- Service Area #4 – Children, Youth and Families
- Service Area #5 – Behavioral Health
- Service Area #6 – Elderly and Adult Services
- Service Area #7 – Developmental Services

Service Area #1 – New Hampshire Hospital

The Contractor provides clinical and administrative services to New Hampshire Hospital and provides staffing for all inpatient care units with medical staff including Advanced Practice Registered Nurses, research and general hospital clinical support. New Hampshire Hospital achieved Joint Commission Accreditation in September 2018 as an Acute Psychiatric Hospital. The hospital is executing strategic initiatives that focus on safety culture, efficiency and effectiveness of work flow, and becoming a data driven organization. The Contractor provides a Director of Quality Systems and APRN Services who oversees a comprehensive Quality

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
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Assurance program that ensures New Hampshire Hospital is meeting regulatory performance metrics that focus on excellence of patient care and prioritize a culture of safety. Additionally, this position provides oversight and supervision to the Advanced Practice Registered Nurses, ensuring standardized practice in line with established practice guidelines in psychiatric medicine. The Contractor also provides a Director of Health Systems Data and Information Services who serves as the conduit for data collection within New Hampshire Hospital, including overseeing Health Information Services, Information Technology, and the Electronic Health Record.

Service Area #2 – Glencliff Home

The Department operates the Glencliff Home to provide a continuum of services for New Hampshire's developmentally disabled, and/or mentally ill population in a home-like setting, with an emphasis on independence, dignity, and acceptance. The Contractor provides to the Department, through the expertise of a Medical Director, direct psychiatric services, treatment, and associated services for all residents of the Glencliff Home. The Medical Director serves other functions, including, but not limited to, oversight of physicians, as well as other administrative duties, including review of medication use for compliance with federal law. The Director serves as the liaison with other healthcare organizations.

Service Area #3 – Medicaid

The Department is responsible for the administration of the Medicaid medical assistance program and is dedicated to the identification of New Hampshire's health care needs through the assessment and implementation of health care and social services delivery systems. To assist the Department in the furtherance of these responsibilities, the Contractor provides the services of a full-time Chief Medical Officer. The Chief Medical Officer's responsibilities include developing strategic clinical relationships with physicians, as well as growing partnerships with academic institutions and federal agencies, with a focus on quality improvement and the implementation of federal health care reforms. Additionally, the Chief Medical Officer provides medical oversight of the state's publicly funded health insurance programs, assists in making policy decisions, and shapes administrative planning strategies to enhance the operating efficiency of Medicaid and related healthcare initiatives across the state.

Service Area #4 – Children, Youth, and Families

The Department is responsible for providing supervision and rehabilitative services to youth adjudicated under state law as delinquent or as children in need of services (CHINS). The Department provides supervision, case management, and an array of rehabilitative services to youth through its staff of Juvenile Probation and Parole Officers (JPPOs) and a network of community-based providers. The Contractor provides the services of a full-time psychiatrist to provide psychiatric services to youth served by the Department. The psychiatrist provides treatment planning oversight, clinical consultations, and assessments to treatment coordinators and JPPOs as well as providing psychiatric evaluations and direct care to youth served by the Department. Additionally, the psychiatrist provides program development at the Sununu Youth Services Center (SYSC) and fosters improved interagency collaboration between Juvenile Justice Services, area mental health agencies, and New Hampshire Hospital to enhance mental health services for adjudicated youth. This request, if approved, will add a full-time psychologist who will assume many of the duties that are currently performed by the full-time psychiatrist, and will reduce the psychiatrist services for DCYF to a part-time position.

Service Area #5 – Behavioral Health

Through its integrated behavioral health services, the Department promotes respect, recovery, and full community inclusion for adults who experience a mental illness, and for children with emotional disturbances. The Department, through its behavioral health program, seeks to sustain the development and implementation of evidence-based practices through the provision

His Excellency, Governor Christopher T. Sununu
and the Honorable Council

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of technical assistance and training made possible through this contract, as well as through state and federal grant opportunities. The Contractor provides the personnel needed to help the Department achieve positive outcomes for individuals served by the behavioral health program. Personnel include a Medical Director who provides direction and expertise on key policy initiatives as well as evidence-based practices, and training consultants, who provide support in sustaining and fostering continuous quality improvement of the evidence-based practices that are implemented across the New Hampshire Community Mental Health Centers system.

Service Area #6 – Elderly and Adult Services

A critical component of the Department's statewide delivery system is its community-based provider network. The Department coordinates long-term care support services through contracts at the local level, thus reflecting the commitment of the Department to strengthen the autonomy of local communities and to direct resources to where they are needed most. In order to assist the Department in the provision of social and long-term supports to adults aged 60 and older and to adults between the ages of 18 and 60 who have a chronic illness or disability, the Contractor provides the services of a Medical Director. The Medical Director assists in the planning and direction of the Department's policies and programs for the purpose of sustaining and improving the quality of services for those elderly and adults served by the Department.

Service Area #7 – Developmental Services

The developmental services system offers individuals with developmental disabilities and acquired brain disorders a wide range of supports and services through partnerships with community based service networks developed through the leadership and oversight of the Department. The Contractor provides the services of a Medical Director for psychiatric consultation services as well as expert guidance and training to the Department's developmental services staff. The Contractor also provides the services of two Developmental Services Interdisciplinary Clinic Teams with the clinical expertise needed to conduct evaluations of both adults and children with developmental disabilities and acquired brain injuries. These evaluations are conducted based on referrals from Area Agencies.

More than 4,286 people have received services under this contract during the past three years. This request, if approved, will provide critical support for the delivery of services by the Department to more than 4,187 individuals statewide for the next three years.

The original agreement included language in Exhibit C-1, that allows the Department to renew the contract for up to two (2) additional three (3) year periods, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Council. This request, if approved, will exercise the first three (3) year period of this renewal option.

The Department will monitor the effectiveness of the Contractor and the delivery of services required under this contract using the following performance measures:

- Staffing levels - target 100%
- Psychiatric progress notes
- Patient length of stay trending
- Treatment plan audits
- Annual evaluations of staff performance
- Adherence to certification guidelines
- Individual metrics based on outcome targets
- Documented monitoring of work hours and attendance

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 4 of 4

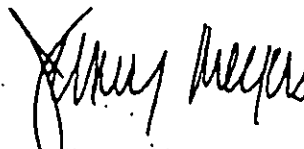
Should the Governor and Executive Council not authorize this request, the Department may not be able to provide essential services in the service areas identified above, thereby putting at risk many of the State's most vulnerable residents.

Area Served: Statewide

Source of Funds: 28% Federal Funds from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Medical Assistance Program, Code of Federal Domestic Assistance Number (CFDA) 93.778; 32% General Funds, and 40% Other Funds (Medicare, Medicaid & third party insurance).

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

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

FISCAL DETAILS

05-95-48-481010-33170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANT-SMPP

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	102-500731	Contracts for Program Services	48130284	\$21,000	\$0	\$21,000
2018	102-500731	Contracts for Program Services	48130284	\$28,153	\$0	\$28,153
2019	102-500731	Contracts for Program Services	48130284	\$29,199	\$0	\$29,199
			Sub-Total	\$78,352	\$0	\$78,352

05-95-48-481010-78720000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS; ADM ON AGING GRANTS

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2020	540-500382	Social Service Contracts	TBD	\$0	\$39,197	\$39,197
2021	540-500382	Social Service Contracts	TBD	\$0	\$41,809	\$41,809
2022	540-500382	Social Service Contracts	TBD	\$0	\$44,110	\$44,110
			Sub-Total	\$0	\$125,116	\$125,116

05-95-92-922010-41170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF MENTAL HEALTH SERVICES, CMH PROGRAM SUPPORT

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	102-500731	Contracts for Program Services	92204117	\$0	\$0	\$0

FISCAL DETAILS

2018	102-500731	Contracts for Program Services	92204117	\$0	\$0	\$0
2019	102-500731	Contracts for Program Services	92204117	\$0	\$0	\$0
2020	102-500731	Contracts for Program Services	92204117	\$0	\$517,056	\$517,056
2021	102-500731	Contracts for Program Services	92204117	\$0	\$544,803	\$544,803
2022	102-500731	Contracts for Program Services	92204117	\$0	\$572,319	\$572,319
			Sub-Total	\$0	\$1,634,178	\$1,634,178

05-95-42-421510-79150000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: SUNUNU YOUTH SERVICE CENTER, HEALTH SERVICES

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/(Decrease)	Modified Budget
2017	102-500730	Medical Payments to Providers	42151501	\$325,491	\$0	\$325,491
2018	102-500730	Medical Payments to Providers	42151501	\$392,391	\$0	\$392,391
2019	102-500730	Medical Payments to Providers	42151501	\$407,002	\$0	\$407,002
2020	102-500730	Medical Payments to Providers	42151501	\$0	\$396,688	\$396,688
2021	102-500730	Medical Payments	42151501	\$0	\$392,444	\$392,444

FISCAL DETAILS

		to Providers				
2022	102-500730	Medical Payments to Providers	42151501	\$0	\$413,867	\$413,867
			Sub-Total	\$1,124,884	\$1,202,999	\$2,327,883

05-95-47-470010-79370000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: OFC OF MEDICAID & BUS. PLCY, OFF. OF MEDICAID & BUS. POLICY, MEDICAID

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	102-500731	Contracts for Program Services	47000021	\$278,300	\$0	\$278,300
2018	102-500731	Contracts for Program Services	47000021	\$374,358	\$0	\$374,358
2019	102-500731	Contracts for Program Services	47000021	\$388,407	\$0	\$388,407
			Sub-Total	\$1,041,065	\$0	\$1,041,065

05-95-47-470010-50000000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: COMMISSIONER'S OFFICE, OFF. OF MEDICAID & BUS. POLICY, MEDICAID

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2020	102-500731	Contracts for Program Services	TBD	\$0	\$408,628	\$408,628
2021	102-500731	Contracts for Program Services	TBD	\$0	\$432,119	\$432,119

FISCAL DETAILS

2022	102-500731	Contracts for Program Services	TBD	\$0	\$455,193	\$455,193
			Sub-Total	\$0	\$1,295,940	\$1,295,940

05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ACUTE PSYCHIATRIC

SFY	Class/ Account	Class/ Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	102-500731	Contracts for Program Services	494058000	\$8,407,616	\$0	\$8,407,616
2018	102-500731	Contracts for Program Services	494058000	\$11,471,661	\$0	\$11,471,661
2019	102-500731	Contracts for Program Services	494058000	\$11,862,758	\$0	\$11,862,758
2020	102-500731	Contracts for Program Services	494058000	\$0	\$11,640,759	\$11,640,759
2021	102-500731	Contracts for Program Services	494058000	\$0	\$12,717,827	\$12,717,827
2022	102-500731	Contracts for Program Services	494058000	\$0	\$13,366,111	\$13,366,111
			Sub-Total	\$31,742,035	\$37,724,697	\$69,466,732

05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, BEHAVIORAL HEALTH

FISCAL DETAILS

SFY	Class/ Account	Class/ Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	102-500731	Contracts for Program Services	92204117	\$351,661	\$0	\$351,661
2018	102-500731	Contracts for Program Services	92204117	\$477,825	\$0	\$477,825
2019	102-500731	Contracts for Program Services	92204117	\$494,500	\$0	\$494,500
			Sub-Total	\$1,323,986	\$0	\$1,323,986

05-95-91-910010-57100000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN
 SVCS DEPT OF HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL,
 GLENCLIFF

SFY	Class/ Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	101-500729	Contracts for Program Services	91000000	\$114,511	\$0	\$114,511
2018	101-500729	Contracts for Program Services	91000000	\$152,935	\$0	\$152,935
2019	101-500729	Contracts for Program Services	91000000	\$158,555	\$0	\$158,555
2020	101-500729	Contracts for Program Services	91000000	\$0	\$139,309	\$139,309
2021	101-500729	Contracts for Program Services	91000000	\$0	\$148,447	\$148,447
2022	101-500729	Contracts for	91000000	\$0	\$156,475	\$156,475

FISCAL DETAILS

		Program Services				
			Sub-Total	\$426,001	\$444,231	\$870,232

05-95-93-930010-51910000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, SPECIAL MEDICAL SERVICES

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	561-500911	Specialty Services	93001000	\$20,000	\$0	\$20,000
2018	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
2019	561-500911	Specialty Services	93001000	\$30,000	\$0	\$30,000
2020	561-500911	Specialty Services	93001000	\$0	\$30,000	\$30,000
2021	561-500911	Specialty Services	93001000	\$0	\$30,000	\$30,000
2022	561-500911	Specialty Services	93001000	\$0	\$30,000	\$30,000
			Sub-Total	\$80,000	\$90,000	\$170,000

05-95-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	102-500731	Contracts for Program Services	93005947	\$93,096	\$0	\$93,096
2018	102-500731	Contracts for Program Services	93005947	\$119,981	\$0	\$119,981
2019	102-500731	Contracts for Program Services	93005947	\$125,376	\$0	\$125,376

FISCAL DETAILS

2020	102-500731	Contracts for Program Services	93005947	\$0	\$254,893	\$254,893
2021	102-500731	Contracts for Program Services	93005947	\$0	\$280,264	\$280,264
2022	102-500731	Contracts for Program Services	93005947	\$0	\$297,751	\$297,751
			Sub-Total	\$338,453	\$832,908	\$1,171,361

05-95-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT

SFY	Class/Account	Class/Title	Activity Code	Current Budget	Increase/ (Decrease)	Modified Budget
2017	103-502664	Contracts for Operational Svcs	93015947	\$106,480	\$0	\$106,480
2018	103-502664	Contracts for Operational Svcs	93015947	\$143,673	\$0	\$143,673
2019	103-502664	Contracts for Operational Svcs	93015947	\$149,113	\$0	\$149,113
			Sub-Total	\$399,266	\$0	\$399,266
			Grand Total	\$36,554,042	\$43,350,069	\$79,904,111

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR BEHAVIORAL HEALTH
NEW HAMPSHIRE HOSPITAL

Jeffrey A. Meyers
Commissioner

Lori A. Sblloente
Chief Executive Officer

36 CLINTON STREET, CONCORD, NH 03301
603-271-5300 1-800-852-3345 Ext. 5300
Fax: 603-271-5395 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

December 7, 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 to amend an existing agreement with Mary Hitchcock Memorial Hospital (a component of Dartmouth-Hitchcock), (Vendor #177160) of One Medical Center Drive, Lebanon, New Hampshire, 03758 for the provision of Physician Clinical and Administrative Services to meet the specialized health and related clinical and administrative needs of the residents of the State of New Hampshire by modifying the scope of services to support the continued delivery of these services, with no change to the contract price limitation of \$36,554,042 and no change to the contract completion date of June 30, 2019, effective upon approval by the Governor and Executive Council. 28% Federal Funds, 32% General Funds, 40% Other Funds from Medicare, Medicaid and third party insurance.

The original agreement was approved by the Governor and Executive Council on August 24, 2016 (Item # 6A).

EXPLANATION

The purpose of this request is to modify existing physician, clinical and administrative services provided by the Contractor at New Hampshire Hospital (NHH).

The Contractor provides clinical and administrative services to the Department and specifically to New Hampshire Hospital through staffing all inpatient care units with medical staff, Advanced Practice Registered Nurses, research and general hospital clinical support. New Hampshire Hospital achieved Joint Commission Accreditation in September 2018 as an Acute Psychiatric Hospital. The hospital is executing strategic initiatives that focus on safety culture, efficiency and effectiveness of work flow and becoming a data driven organization.

This request, if approved, will modify the scope of services provided by the Contract by eliminating the requirement to retain a Neuropsychologist and a Public Psychiatry Fellow while adding the following positions:

- Director of Quality Systems and APRN Services
- Director of Health System Data and Information Services.

Her Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 2 of 2

These new positions reallocate resources to New Hampshire Hospital's most critical areas of need. The Director of Quality Systems and APRN Services will establish and implement a comprehensive Quality Assurance program that ensures New Hampshire Hospital is meeting regulatory performance metrics that focus on excellence of patient care and prioritizes a culture of safety. Additionally, this position provides oversight and supervision to the Advanced Practice Registered Nurses, ensuring standardized practice in line with established practice guidelines in psychiatric medicine.

The Director of Health Systems Data and Information Services serves as the conduit for data collection within New Hampshire Hospital. This position will oversee Health Information Services, Information Technology, the Electronic Health Record and the strategic movement of New Hampshire Hospital becoming a data driven organization.

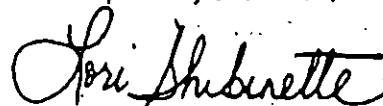
Should the Governor and Executive Council determine to not authorize this request, the Department may not be able to provide essential services at NHH to ensure compliance with regulatory and safety requirements required to maintain accreditation with The Joint Commission, and may increase risk for many of the State's most vulnerable residents.

Area Served: New Hampshire Hospital, Concord NH

Source of Funds: 28% Federal Funds from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Medical Assistance Program, Code of Federal Domestic Assistance Number (CFDA) 93.778; 32% General Funds, and; 40% Other Funds (Medicare, Medicaid & third party insurance).

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

Respectfully submitted,



Lori A. Shibinette
Chief Executive Officer

Approved by:



Jeffrey A. Meyers
Commissioner

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MCC



State of New Hampshire

DEPARTMENT OF HEALTH AND HUMAN SERVICES
129 PLEASANT STREET, CONCORD, NH 03301-3637
603-271-9200 FAX: 603-271-4912 TDD ACCESS RELAY NH 1-800-735-2984

JEFFREY A. MEYERS
COMMISSIONER

August 19, 2016

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

REQUESTED ACTION

Authorize the Department of Health and Human Services to enter into an agreement with Mary Hitchcock Memorial Hospital (a component of Dartmouth-Hitchcock), (Vendor #177160) of One Medical Center Drive, Lebanon, New Hampshire, 03756 to provide Physician Clinical and Administrative Services to meet the specialized health and related clinical and administrative needs of the residents of the State of New Hampshire in an amount not to exceed \$38,554,042 effective November 1, 2016, or upon Governor and Executive Council approval, whichever is later, through June 30, 2018. This contract includes renewal options for up to two (2) three-year periods, subject to Governor and Council approval. The funding for this contract will be from the following sources:

- 40% Other Funds (Medicare, Medicaid & third party insurance);
- 28% Federal Funds from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Medical Assistance Program, Code of Federal Domestic Assistance Number (CFDA) 83.778; and
- 32% General Funds.

Funds to support this request are available in the following accounts for State Fiscal Years 2017, 2018, and 2019, with authority to adjust encumbrances in the State Fiscal Year through the Budget Office, if needed and justified without further approval from Governor and Executive Council:

05-85-48-481010-33170000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: ELDERLY AND ADULT SERVICES, GRANTS TO LOCALS, ADMIN ON AGING SVCS GRANT-SMPP

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500731	Contracts for Program Services	48130284	\$21,000
2018	102-500731	Contracts for Program Services	48130284	\$28,153
2019	102-500731	Contracts for Program Services	48130284	\$29,189
			Sub-Total	\$78,342

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 August 19, 2016
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05-95-42-421510-70150000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: SUNUNU YOUTH SERVICE CENTER, HEALTH SERVICES

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500730	Medical Payments to Providers	42151501	\$325,491
2018	102-500730	Medical Payments to Providers	42151501	\$392,391
2019	102-500730	Medical Payments to Providers	42151501	\$407,002
			Sub-Total	1,124,884

05-95-47-470010-79370000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: OFC OF MEDICAID & BUS. PLCY, OFF. OF MEDICAID & BUS. POLICY, MEDICAID

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500731	Contracts for Program Services	47000021	\$278,300
2018	102-500731	Contracts for Program Services	47000021	\$374,358
2019	102-500731	Contracts for Program Services	47000021	\$388,407
			Sub-Total	\$1,041,065

05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ACUTE PSYCHIATRIC

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500731	Contracts for Program Services	494058000	\$8,407,616
2018	102-500731	Contracts for Program Services	494058000	\$11,471,661
2019	102-500731	Contracts for Program Services	494058000	\$11,862,758
			Sub-Total	\$31,742,035

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 August 19, 2016
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**05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN
 SVCS DEPT OF HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL,
 BEHAVIORAL HEALTH**

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500731	Contracts for Program Services	494058000	\$351,681
2018	102-500731	Contracts for Program Services	494058000	\$477,825
2019	102-500731	Contracts for Program Services	494058000	\$494,500
			Sub-Total	\$1,323,986

**05-95-94-940010-87500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN
 SVCS DEPT OF HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL,
 GLENCLIFF**

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500731	Contracts for Program Services	494058000	\$114,511
2018	102-500731	Contracts for Program Services	494058000	\$152,935
2019	102-500731	Contracts for Program Services	494058000	\$158,555
			Sub-Total	\$426,001

**05-95-93-930010-81910000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN
 SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS,
 SPECIAL MEDICAL SERVICES**

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	561-500911	Specialty Services	93001000	\$20,000
2018	561-500911	Specialty Services	93001000	\$30,000
2019	561-500911	Specialty Services	93001000	\$30,000
			Sub-Total	\$80,000

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 August 19, 2016
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05-95-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	102-500731	Contracts for Program Services	93005947	\$83,086
2018	102-500731	Contracts for Program Services	93005947	\$119,981
2019	102-500731	Contracts for Program Services	93005947	\$125,376
			Sub-Total	\$338,453

05-85-93-930010-59470000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: DEVELOPMENTAL SERV DIV OF, DIV OF DEVELOPMENTAL SVCS, PROGRAM SUPPORT

Fiscal Year	Class/Account	Class/Title	Activity Code	Current Modified Budget
2017	103-502664	Contracts for Operational Svcs	93015947	\$106,480
2018	103-502664	Contracts for Operational Svcs	93015947	\$143,673
2019	103-502664	Contracts for Operational Svcs	93015947	\$149,113
			Sub-Total	\$399,266

EXPLANATION

The purpose of this request is to provide physician clinical and administrative services to specific populations served by the Department. The services identified will be provided across the following seven service areas:

- Service Area #1 – New Hampshire Hospital
- Service Area #2 – Glenduff Home
- Service Area #3 – Medicald
- Service Area #4 – Children, Youth and Families
- Service Area #5 – Behavioral Health
- Service Area #6 – Elderly and Adult Services
- Service Area #7 – Developmental Services

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
August 19, 2016
Page 5 of 7

Presently, the Department, contracts with an academic medical center to meet the specialized health, clinical, and administrative needs identified in these service areas. Clinical focus areas include the provision of psychiatric care at New Hampshire Hospital, clinical and administrative leadership to the State's Medicaid program, and clinical leadership to behavioral health services. In addition, the Department receives physician consultation services in the area of elderly and adult services, juvenile justice services, and developmental services for children and adults.

Service Area #1 – New Hampshire Hospital

The Contractor will provide the Department, through a Chief Medical Officer, in collaboration with the Hospital's Chief Executive Officer, clinical and administrative services to best meet the evolving needs of New Hampshire residents with mental illness. This will include staffing of the newly opened Inpatient Stabilization Unit (ISU) as well as staffing for adult units, the Anna Phibrook Center for children, and the Geropsychiatry Unit. Additionally, the Contractor will work with the Department to continue to maintain and develop an applied research and evaluation capacity which shall identify and address medical research issues relative to the Department's mission. The Contractor will also provide the necessary physician and allied health care personnel, including staff certified in addiction treatment, required to deliver quality health services to patients at New Hampshire Hospital. The services provided are intended to achieve innovative and cost-effective acute psychiatric care that is oriented toward appropriate treatment, stabilization, and rapid return to the community. A recovery model will continue to be emphasized.

Service Area #2 – Glenciff Home

The Department operates the Glenciff Home to provide a continuum of services for New Hampshire's developmentally disabled, and/or mentally ill population in a home-like setting, with an emphasis on independence, dignity, and acceptance. The Contractor will provide the Department, through the expertise of a Medical Director, direct psychiatric services, treatment, and associated services to all residents of the Glenciff Home. The Medical Director will serve other functions including, but not limited to, oversight of physicians, as well as other administrative duties, including review of medication use for compliance with federal law and serving as the liaison with other healthcare organizations.

Service Area #3 – Medicaid

The Department is responsible for the administration of the Medicaid medical assistance program and is dedicated to the identification of New Hampshire's health care needs through the assessment and implementation of health care and social services delivery systems. To assist the Department in the furtherance of these responsibilities, the Contractor will provide the services of a full time Chief Medical Officer. The Chief Medical Officer's responsibilities will include developing strategic clinical relationships with physicians as well as growing partnerships with academic institutions and federal agencies with a focus on quality improvement and the implementation of federal health care reforms. Additionally, the Chief Medical Officer will provide medical oversight of the state's publicly funded health insurance programs, assist in making policy decisions, and shape administrative planning strategies to enhance the operating efficiency of Medicaid and related healthcare initiatives across the state.

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
August 18, 2016
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Service Area #4 – Children, Youth, and Families

The Department is responsible for providing supervision and rehabilitative services to youth adjudicated under state law as delinquent or as children in need of services (CHINS). The Department provides supervision, case management, and an array of rehabilitative services to youth through its staff of Juvenile Probation and Parole Officers (JPPOs) and a network of community based providers. In order to provide additional clinical expertise to the Department, the Contractor will provide the services of a full-time psychiatrist to provide psychiatric services to youth served by the Department. The psychiatrist will provide treatment planning oversight, clinical consultations, and assessments to treatment coordinators and JPPOs as well as providing psychiatric evaluations and direct care to youth served by the Department. Additionally, the psychiatrist will provide program development at the Sununu Youth Services Center (SYSC) and foster improved interagency collaboration between Juvenile Justice Services, area mental health agencies, and New Hampshire Hospital to enhance mental health services for adjudicated youth.

Service Area #5 – Behavioral Health

Through its integrated behavioral health services, the Department promotes respect, recovery, and full community inclusion for adults who experience a mental illness and children with emotional disturbances. The Department, through its behavioral health program, seeks to sustain the development and implementation of evidence based practices through the provision of technical assistance and training made possible through this contract, as well as through state and federal grant opportunities. The Contractor will provide the personnel needed to help the Department achieve positive outcomes for individuals served by the behavioral health program. Personnel include a Medical Director who will provide direction and expertise on key policy initiatives as well as evidence-based practices training consultants who will provide support in sustaining and fostering continuous quality improvement of the evidence-based practices that are implemented across the New Hampshire Community Mental Health Centers system.

Service Area #6 – Elderly and Adult Services

A critical component of the Department's statewide delivery system is its community-based provider network. The Department coordinates long-term care support services through contracts at the local level, thus reflecting the commitment of the Department to strengthen the autonomy of local communities and to direct resources to where they are needed most. In order to assist the Department in the provision of social and long-term supports to adults aged 60 and older and to adults between the ages of 18 and 60 who have a chronic illness or disability, the Contractor will provide the services of a Medical Director. The Medical Director will assist in the planning and direction of the Department's policies and programs for the purpose of sustaining and improving the quality of services for those elderly and adults served by the Department.

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
August 19, 2016
Page 7 of 7

Service Area #7 - Developmental Services

The developmental services system offers individuals with developmental disabilities and acquired brain disorders a wide range of supports and services through partnerships with community based service networks developed through the leadership and oversight of the Department. The Contractor will provide the services of a Medical Director who will provide psychiatric consultation services as well as expert guidance and training to the Department's developmental services staff. The Contractor will also provide the services of two Developmental Services Interdisciplinary Clinic Teams with the clinical expertise needed to conduct evaluations of both adults and children with developmental disabilities and acquired brain injuries. These evaluations will be conducted based on referrals from Area Agencies.

The Contractor was selected through a competitive bidding process. The Department published a Request for Proposals for Physician Clinical and Administrative Services (RFP-2017-OCOM-01-PHYSI) on the Department of Health and Human Services website on February 25, 2016, and also notified several potentially interested vendors of the release. The Department received one proposal in response. The proposal was evaluated and scored by a team of individuals with comprehensive knowledge of the service areas addressed in the RFP. Based on this evaluation, the Department selected Mary Hitchcock Memorial Hospital to provide these services. The proposal summary score sheet is attached.

Should the Governor and Executive Council determine to not authorize this request the Department will be severely limited in its ability to provide essential services in the service areas identified above, thereby putting at risk many of the State's most vulnerable residents.

Area Served: Statewide

- Source of Funds: 40% Other Funds (Medicare, Medicaid & third party insurance);
- 28% Federal Funds from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, Medical Assistance Program, Code of Federal Domestic Assistance Number (CFDA) 93.778; and
- 32% General Funds.

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

Respectfully submitted,

Approved by:


Jeffrey A. Meyers
Commissioner

The Department of Health and Human Services' Mission is to join communities and families in providing opportunities for citizens to achieve health and independence.



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

Physician Clinical and Administrative Services

RFP-2017-OCOM-01-PHYSI

RFP Name

RFP Number

Reviewer Names

Bidder Name
1. <u>Mary Hitchcock Memorial Hospital</u>
2. <u>0</u>
3. <u>0</u>
4. <u>0</u>
5. <u>0</u>
6. <u>0</u>
7. <u>0</u>

Pass/Fail	Maximum Points	Actual Points
Pass	1000	857
	1000	0
	1000	0
	1000	0
	1000	0
	1000	0
	1000	0

1. Katie Dunn, Director OMBP, Deputy Commissioner
2. Michelle Karlan
3. Diane Langley
4. Bob MacLeod, CEO NH Hospital
5. Dawn Youzn, DHHS, Department Controller
6. _____
7. _____
8. _____
9. _____