



Nicholas A. Toumpas  
Commissioner

Kathleen A. Dunn  
Associate Commissioner

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF MEDICAID BUSINESS AND POLICY

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FIS 16 004

EV 7

November 3, 2015

The Honorable Neal M. Kurk, Chairman  
Fiscal Committee of the General Court

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

*[Signature]*  
Approved by Fiscal Committee 1/22/16  
Date

**REQUESTED ACTION**

Pursuant to RSA 14:30A, VI, Additional Revenues authorize the Department of Health and Human Services, Office of Medicaid Business and Policy, to accept and expend additional federal funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services in the amount of \$4,083,670 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2016, and further authorize the allocation of these funds in the account below. 100% Federal Funds.

05-95-47-470010-7948, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS:  
OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS POLICY, MEDICAID CARE MGMT

CLASS OBJ	CLASS TITLE	Current Authorized Budget	Increase / (Decrease)	Revised Modified Budget
010-79480000-403978-000	Federal Funds	\$318,253,674	\$4,083,670	\$322,337,344
010-79480000-402201-005	Agency Income: Medicaid Enhancement - Local	\$124,656,230		\$124,656,230
010-79480000-407145-007	Agency Income Drug Rebates	\$3,570,935		\$3,570,935
010-79480000-406848-009	Agency Income MEAD	\$128,399		\$128,399
010-79480000	General Fund	\$172,664,464		\$172,664,464
	Total Revenue	\$619,273,702	\$4,083,670	\$623,357,372
041-500801	Audit Set Aside	\$374,857	\$4,080	\$378,937
101-500729	Medical Payments to Providers	\$607,484,641	\$4,079,590	\$611,564,231
102-500731	Contracts for Program Services	\$11,414,204		\$11,414,205
	Total Expense	\$619,273,702	\$4,083,670	\$623,357,372

**EXPLANATION**

The NH Department of Health and Human Services, Medicaid Program, under Section 1202 of the Affordable Care Act, is required to increase primary care reimbursement to parity with Medicare for calendar years 2013 and 2014, including any submission's one year from the date of service within those calendar years. The Affordable Care Act implements Medicaid payment for primary care services furnished by certain physicians in calendar years 2013 and 2014 at rates not less than the Medicare rates in effect in those calendar years. This minimum payment level applies to specified primary care services furnished by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine, and also applies to services paid through Medicaid managed care plans. It is a 100 percent federal matching rate for any increase in payment above the amounts that would be due for these services under the provisions of the State plan as of July 1, 2009. The rate increase is the difference between the enhanced rate and the 2009 NH fee for service rate.

Class 041      The funds will be used to pay audit fund set aside expense.  
Class 101      The funds will be used to make the primary care reimbursement as referenced herein.

In response to the anticipated two-part question, "Can these funds be used to offset general funds?" and "What is the compelling reason for not offsetting general funds?" The Department offers the following information: These 100% federal cannot be used to offset general funds, as they are restricted to the activities referenced herein. Should the request be denied, the funds in question must be returned to the Federal Government and the State of New Hampshire will be out of compliance with Federal requirements.

Geographic area served: Statewide

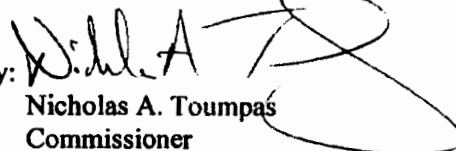
Source of Funds: 100% Federal Funds from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

Respectfully submitted,



Kathleen A. Dunn, MPH  
Associate Commissioner

Approved by:



Nicholas A. Toumpas  
Commissioner