



STATE OF NEW HAMPSHIRE

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH

Jeffrey A. Meyers  
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9544 1-800-852-3345 Ext. 9544  
Fax: 603-271-4332 TDD Access: 1-800-735-2964

Katja S. Fox  
Director

April 19, 2019

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

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

*[Signature]*  
Approved by Fiscal Committee 5/10/19  
Date

**REQUESTED ACTION**

#1) Pursuant to RSA 14:30-a, VI, Additional Revenues authorize the Department of Health and Human Services to accept and expend additional federal Designated State Health Programs (DSHP) revenue in the amount of \$1,066,254 effective upon approval by the Fiscal Committee and Governor and Executive Council through June 30, 2019, and further authorize the allocation of these funds in the accounts below. 100% Federal Funds (DSHP Revenue).

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

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$2,153,633	\$774,966	\$2,928,599
000-408147	Federal Funds	\$746,937	\$0	\$746,937
009-407079	Other Funds	\$24,000	\$0	\$24,000
009-407150	Other Funds	\$4,000	\$0	\$4,000
	General Funds	<u>\$20,408,521</u>	<u>\$0</u>	<u>\$20,408,521</u>
Total Revenue		<u>\$23,337,091</u>	<u>\$774,966</u>	<u>\$24,112,057</u>
010-500100	Personal Services Perm	\$360,070	\$0	\$360,070
012-500128	Personal Services Unclass	\$169,561	\$0	\$169,561
020-500200	Current Expenses	\$16,964	\$0	\$16,964
021-500211	Food Institutions	\$1,412	\$0	\$1,412
022-500255	Rents Leases Other Than	\$2,995	\$0	\$2,995
026-500251	Organizational Dues	\$9,529	\$0	\$9,529
030-500301	Equipment	\$780	\$0	\$780
039-500188	Telecommunications	\$4,615	\$0	\$4,615
041-500801	Audit Fund Set Aside	\$2,937	\$774	\$3,711

042-500620	Additional Fringe Benefits	\$24,774	\$0	\$24,774
060-500602	Benefits	\$257,934	\$0	\$257,934
066-500544	Employee Training	\$212	\$0	\$212
067-500560	Training of Providers	\$5,000	\$0	\$5,000
070-500704	In State Travel	\$3,423	\$0	\$3,423
080-500710	Out of State Travel	\$2,672	\$0	\$2,672
102-500731	Contracts for Program Svcs	<u>\$22,474,213</u>	<u>\$774,192</u>	<u>\$23,248,405</u>
Total Expense		\$23,337,091	\$774,966	\$24,112,057

**05-95-92-922010-41180000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF MENTAL HEALTH SERVICES, PEER SUPPORT SERVICES**

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$0	\$291,288	\$291,288
	General Funds	<u>\$1,244,163</u>	<u>\$0</u>	<u>\$1,244,163</u>
Total Revenue		<u>\$1,244,163</u>	<u>\$291,288</u>	<u>\$1,535,451</u>
041-500801	Audit Fund Set Aside	\$0	\$291	\$291
102-500731	Contracts for Program Svcs	<u>\$1,244,163</u>	<u>\$290,997</u>	<u>\$1,535,160</u>
Total Expense		\$1,244,163	\$291,288	\$1,535,451

#2) Contingent upon approval of Requested Action #1 and Pursuant to the provisions of RSA 9:16-a, Transfers Authorized, authorize the Department of Health and Human Services, Division for Behavioral Health to transfer general funds in the amount of \$1,065,189 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2019, and further authorize the allocation of these funds in the account below. 100% General Funds.

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

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$2,928,599	\$0	\$2,928,599
000-408147	Federal Funds	\$746,937	\$0	\$746,937
009-407079	Other Funds	\$24,000	\$0	\$24,000
009-407150	Other Funds	\$4,000	\$0	\$4,000
	General Funds	<u>\$20,408,521</u>	<u>(\$774,192)</u>	<u>\$19,634,329</u>
Total Revenue		<u>\$24,112,057</u>	<u>(\$774,192)</u>	<u>\$23,337,865</u>
010-500100	Personal Services Perm	\$360,070	\$0	\$360,070
012-500128	Personal Services Unclass	\$169,561	\$0	\$169,561
020-500200	Current Expenses	\$16,964	\$0	\$16,964

021-500211	Food Institutions	\$1,412	\$0	\$1,412
022-500255	Rents Leases Other Than	\$2,995	\$0	\$2,995
026-500251	Organizational Dues	\$9,529	\$0	\$9,529
030-500301	Equipment	\$780	\$0	\$780
039-500188	Telecommunications	\$4,615	\$0	\$4,615
041-500801	Audit Fund Set Aside	\$3,711	\$0	\$3,711
042-500620	Additional Fringe Benefits	\$24,774	\$0	\$24,774
060-500602	Benefits	\$257,934	\$0	\$257,934
066-500544	Employee Training	\$212	\$0	\$212
067-500560	Training of Providers	\$5,000	\$0	\$5,000
070-500704	In State Travel	\$3,423	\$0	\$3,423
080-500710	Out of State Travel	\$2,672	\$0	\$2,672
102-500731	Contracts for Program Svcs	<u>\$23,248,405</u>	<u>(\$774,192)</u>	<u>\$22,474,213</u>
Total Expense		\$24,112,057	(\$774,192)	\$23,337,865

**05-95-92-922010-41180000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF MENTAL HEALTH SERVICES, PEER SUPPORT SERVICES**

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$291,288	\$0	\$291,288
	General Funds	<u>\$1,244,163</u>	<u>(\$290,997)</u>	<u>\$953,166</u>
Total Revenue		<u>\$1,535,451</u>	<u>(\$290,997)</u>	<u>\$1,244,454</u>
041-500801	Audit Fund Set Aside	\$291	\$0	\$291
102-500731	Contracts for Program Svcs	<u>\$1,535,160</u>	<u>(\$290,997)</u>	<u>\$1,244,163</u>
Total Expense		\$1,535,451	(\$290,997)	\$1,244,454

**05-95-92-920510-33820000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUNSD**

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$3,114,542	\$0	\$3,114,542
006-407545	Agency Income	(\$82,982)	\$0	(\$82,982)
009-407079	Agency Income	\$3,883,827	\$0	\$3,883,827
	General Funds	<u>\$4,077,205</u>	<u>\$1,065,189</u>	<u>\$5,142,394</u>
Total Revenue		<u>\$10,992,592</u>	<u>\$1,065,189</u>	<u>\$12,057,781</u>
041-500801	Audit Fund Set Aside	\$1,666	\$0	\$1,666
102-500731	Contracts for Program Svcs	<u>\$10,990,926</u>	<u>\$1,065,189</u>	<u>\$12,056,115</u>
Total Expense		\$10,992,592	\$1,065,189	\$12,057,781

#3) Contingent upon approval of Requested Action #1 and #2 and Pursuant to the provisions of RSA 9:16-a, Transfers Authorized, authorize the Department of Health and Human Services, Division for Behavioral Health to transfer general funds in the amount of \$2,049,353 effective upon approval by the Fiscal Committee and Governor and Council through June 30, 2019, and further authorize the allocation of these funds in the account below. 100% General Funds.

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

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$2,928,599	\$0	\$2,928,599
000-408147	Federal Funds	\$746,937	\$0	\$746,937
009-407079	Other Funds	\$24,000	\$0	\$24,000
009-407150	Other Funds	\$4,000	\$0	\$4,000
	General Funds	<u>\$19,634,329</u>	<u>(\$1,065,000)</u>	<u>\$18,569,329</u>
Total Revenue		<u>\$23,337,865</u>	<u>(\$1,065,000)</u>	<u>\$22,272,865</u>
010-500100	Personal Services Perm	\$360,070	\$0	\$360,070
012-500128	Personal Services Unclass	\$169,561	\$0	\$169,561
020-500200	Current Expenses	\$16,964	\$0	\$16,964
021-500211	Food Institutions	\$1,412	\$0	\$1,412
022-500255	Rents Leases Other Than	\$2,995	\$0	\$2,995
026-500251	Organizational Dues	\$9,529	\$0	\$9,529
030-500301	Equipment	\$780	\$0	\$780
039-500188	Telecommunications	\$4,615	\$0	\$4,615
041-500801	Audit Fund Set Aside	\$3,711	\$0	\$3,711
042-500620	Additional Fringe Benefits	\$24,774	\$0	\$24,774
060-500602	Benefits	\$257,934	\$0	\$257,934
066-500544	Employee Training	\$212	\$0	\$212
067-500560	Training of Providers	\$5,000	\$0	\$5,000
070-500704	In State Travel	\$3,423	\$0	\$3,423
080-500710	Out of State Travel	\$2,672	\$0	\$2,672
102-500731	Contracts for Program Svcs	<u>\$22,474,213</u>	<u>(\$1,065,000)</u>	<u>\$21,409,213</u>
Total Expense		<u>\$23,337,865</u>	<u>(\$1,065,000)</u>	<u>\$22,272,865</u>

**05-95-92-921010-20530000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV, BUR FOR CHILDRENS BEHAVRL HLTH, SYSTEM OF CARE**

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-400146	Federal Funds	\$2,066,443	\$0	\$2,066,443
	General Funds	<u>\$2,365,312</u>	<u>(\$984,353)</u>	<u>\$1,380,959</u>
Total Revenue		<u>\$4,431,755</u>	<u>(\$984,353)</u>	<u>\$3,447,402</u>

041-500801	Audit Fund Set Aside	\$2,024	\$0	\$2,024
072-500575	Grants Federal	\$242,219	\$0	\$242,219
102-500731	Contracts for Program Svcs	\$542,608	\$0	\$542,608
502-500891	Payments to Providers	<u>\$3,644,904</u>	<u>(\$984,353)</u>	<u>\$2,660,551</u>
Total Expense		\$4,431,755	(\$984,353)	\$3,447,402

**05-95-92-920510-33820000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SVCS, GOVERNOR COMMISSION FUND**

Class/Object	Class Title	Current Authorized Budget	Increase/ (Decrease) Amount	Revised Modified Budget
<b>SFY 2019</b>				
000-405208	Federal Funds (DSHP)	\$3,114,542	\$0	\$3,114,542
006-407545	Agency Income	(\$82,982)	\$0	(\$82,982)
009-407079	Agency Income	\$3,883,827	\$0	\$3,883,827
	General Funds	<u>\$5,142,394</u>	<u>\$2,049,353</u>	<u>\$7,191,747</u>
Total Revenue		<u>\$12,057,781</u>	<u>\$2,049,353</u>	<u>\$14,107,134</u>
041-500801	Audit Fund Set Aside	\$1,666	\$0	\$1,666
102-500731	Contracts for Program Svcs	<u>\$12,056,115</u>	<u>\$2,049,353</u>	<u>\$14,105,468</u>
Total Expense		\$12,057,781	\$2,049,353	\$14,107,134

**EXPLANATION**

The Department is requesting to (i) accept supplemental Designated State Health Programs (DSHP) funds as allowed by the New Hampshire's Section 1115 Research and Demonstration Transformation Waiver in the Bureau of Mental Health Services, (ii) transfer general funds from the Bureau of Mental Health Services to the Bureau of Drug and Alcohol Services and (iii) transfer additional general funds from the Bureau of Mental Health Services as well as from the Bureau for Children's Behavioral Health to the Bureau of Drug and Alcohol in order to properly reflect where the DSHP federal revenue will be earned and the general funds to the Governor's Commission accounting unit where DSHP federal revenue was budgeted, but will not be earned.

On January 5, 2016, the Centers for Medicare and Medicaid Services (CMS) approved New Hampshire's Section 1115 Research and Demonstration Transformation Waiver enabling the Department of Health and Human Services (DHHS) to access new federal funding for the purpose of strengthening and expanding capacity for the State's behavioral health system, allowing the State to access up to a total of \$150 million over the next five years (approximately \$30 million per year).

As part of the New Hampshire Building Capacity for Transformation 1115 Waiver, CMS has granted authority for DHHS to receive federal matching funds for costs not otherwise matched through the Designated State Health Programs (DSHP). During the budget preparation for the 2018/19 biennium the Department estimated the amounts of DSHP to be earned based on

trending and forecasts for expenses up to the annualized CAP set by The Center for Medicare and Medicaid Services (CMS). There were changes made during this biennium by CMS to allow for supplemental program areas to earn DSHP revenue. The Department seeks to accept supplemental DSHP revenue not budgeted in the Bureau of Mental Health Services (i). The Department makes this request to properly reflect the areas where the DSHP revenue was earned for reimbursement.

The Department sought and was granted an amendment under its 1115 Delivery System Reform Incentive Payment waiver to substitute DSHP qualified programs that would replace at an equivalent dollar amount for programs the Department would otherwise claim DSHP on. The request permits the accurate accounting for where the substitute DSHP revenue should reside. This, along with the carry forward of prior year DSHP revenue that would not be recognized due to meeting the 2018 calendar year annual CAP set by CMS, caused a federal revenue (DSHP) shortfall in AU 3382 Governor's Commission. The Department requests actions (ii) and (iii) outlined above to address the revenue reduction in DSHP funds budgeted, but will not be earned. In addition to this Fiscal Item, DHHS will be sending a memo to the Department of Administrative Services to request a write down of the Federal funds in the amount of \$3,114,542, and corresponding expenditures, as required by RSA 124:14, to bring the total Governor's Commission account into balance.

The following is the information specifically required when transfers are requested, in accordance with the Budget Officer's instructional memorandum dated April 17, 1985, to support the above requested actions:

- A) Justification: As noted above this request is to accept additional DSHP revenue in the Bureau of Mental Health Services and to transfer general funds to the Bureau of Drug & Alcohol Services.
- B) Does this transfer involve continuing programs or one-time projects?  
This transfer involves continuing programs.
- C) Is this transfer required to maintain existing program levels or will it increase the program level?  
This transfer is required to maintain existing program levels.
- D) Cite any requirements which make this program mandatory.  
The programs of the Department are mandated by various state and federal laws.
- E) Identify the source of funds on all accounts listed on this transfer.  
9205-3382: 51% GF, 22% FF, 27% OF  
9210-2053: 40% GF, 60% FF  
9220-4117: 83.4% GF, 16.5% FF, 0.1% OF  
9220-4118: 77%GF, 23% FF
- F) Will there be any effect on revenue if this transfer is not approved?  
Yes, federal revenue earned will not be budgeted in the correct accounting units. In addition, the Governor's Commission accounting unit (3382) will show a revenue shortfall.
- G) Are funds expected to lapse if this transfer is not approved?  
Yes, the general funds would lapse at the end of FY19.

The Honorable Mary Jane Wallner, Chairman  
His Excellency, Governor Christopher T. Sununu  
April 19, 2019  
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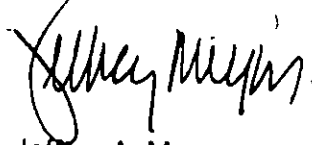
H) Are personnel services involved?

No positions are being transferred as a result of this request.

Area served: Statewide

In the event that federal funds become no longer available, general funds will not be requested to support the program expenditures.

Respectfully submitted,



Jeffrey A. Meyers  
Commissioner