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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR BEHAVIORAL HEALTH

Lori A. Shibinette
Commissioner

Katja S. Fox
Director

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 www.dhhs.nh.gov

June 10, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, to amend existing contracts with the vendors listed below in bold that provide medication assisted treatment to individuals with opioid use disorders by adding budgets for State Fiscal Year 2021, with no change to the price limitation of $1,397,138 and no change to the contract completion dates of September 29, 2020 effective upon Governor and Council approval..

The contracts were approved by the Governor and Executive Council as indicated in the table below.

Vendor Name	Vendor Code	Area Served	Current Amount	Increase/ (Decrease)	New Amount	G&C Approval
Elliot Health System of the City of Manchester, Manchester NH	174360	Manchester	$271,428	$0	$271,428	O: 1/9/2029 item #9
Harbor Homes, Inc., Nashua NH	155358	Nashua	$271,428	$0	$271,428	O: 12/5/18 item #22
LRGHealthcare, Laconia NH	177161	Laconia	$271,428	$0	$271,428	O: 12/5/18 item #22
Mary Hitchcock Memorial Hospital, Lebanon NH	177651	Lebanon	$311,426	$0	$311,426	O: 12/5/18 item #22
Riverbend Community Mental Health, Inc., Concord NH	177192	Concord	$271,428	$0	$271,428	O: 12/5/18 item #22
		Total	**$1,397,138**	**$0**	**$1,397,138**	

Funds are available in the following accounts for State Fiscal Year 2021 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 add budgets to the contracts for State Fiscal Year 2021. In accordance with the terms of Exhibit B Method and Conditions Precedent to Payment, the budgets are to be submitted to Governor and Executive Council for approval no later than June 30, 2020.. State Fiscal Year 2019 budgets are being reduced by a total amount of $104,428, which is identified as unspent funding that is being carried forward to fund activities in the contract for State Fiscal Year 2021, specifically July 1, 2020 through September 29, 2020. The other two vendors not listed in bold have will not require a carry forward because the funding has been used for State Fiscal Year 2019.

Approximately 380 individuals will be served from July 1, 2020 to September 30, 2020. These contractors provide comprehensive Medication Assisted Treatment using FDA-approved medications for individuals with Opioid Use Disorder who require community-based services. These agreements also ensure the provision of services specifically designed for pregnant and postpartum women with OUD.

The Department has been monitoring the contracted services using the following performance measures:

- Fifty percent (50%) of individuals with Opioid Use Disorder referred to the Vendor for Medication Assisted Treatment services receive at least three (3) clinically-appropriate, MAT-related services.
- One hundred percent (100%) of clients seeking services under this proposed contract that enter care directly through the Vendor, who consent to information sharing with the Regional Hub for Opioid Use Disorder services, receive a Hub referral for ongoing care coordination.
- One hundred percent (100%) of clients referred to the Vendor by the Regional Hub for Opioid Use Disorder services have proper consents in place for transfer of information for the purposes of data collection between the Hub and the Vendor.

As referenced in Exhibit C-1 Revisions to Standard Contract Language of the original contracts, the parties have the option to extend the agreements for up to two (2) 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 may not have the ability to ensure proper billing and proper use of funding by the vendors.

Area served: Integrated Delivery Network (IDN) Regions 1-5

Respectfully submitted,

Lori A. Shibinette
Commissioner

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT					
100% Federal Funds					
Activity Code: 92057040					
Elliot Heath System					
Vendor # 174360					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**	**Increase/ (Decrease)**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$135,714	$ (28,500.00)	$ 107,214.00
2020	Contracts for Prog Svs	102-500731	$135,714		$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$0	$ 28,500.00	$ 28,500.00
		Subtotal	**$271,428**	**$0**	**$271,428**
Harbor Homes					
Vendor # 155358					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00	$ -	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00	$ -	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -	$ -	$ -
		Subtotal	**$ 271,428.00**	**$ -**	**$ 271,428.00**
LRG Healthcare					
Vendor # 177161					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00	$ -	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00	$ -	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -	$ -	$ -
		Subtotal	**$ 271,428.00**	**$ -**	**$ 271,428.00**
Mary Hitchcock					
Vendor # 177651					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 155,485.00	$ (42,000.00)	$ 113,485.00
2020	Contracts for Prog Svs	102-500731	$ 155,941.00	$ -	$ 155,941.00
2021	Contracts for Prog Svs	102-500731	$ -	$ 42,000.00	$ 42,000.00
		Subtotal	**$ 311,426.00**	**$ -**	**$ 311,426.00**
Riverbend Community Mental Health					
Vendor # 177192					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00	$ (33,928.00)	$ 101,786.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00	$ -	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -	$ 33,928.00	$ 33,928.00
		Subtotal	**$ 271,428.00**	**$ -**	**$ 271,428.00**
		TOTAL	**$ 1,397,138.00**	**$ -**	**$ 1,397,138.00**

State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Medication Assisted Treatment

This 1st Amendment to the Medication Assisted Treatment contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Elliot Hospital of the City of Manchester (hereinafter referred to as "the Contractor"), a nonprofit organization with a place of business at One Elliot Way, Manchester, NH 03103.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on January 9, 2019 (Item #9), (the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

WHEREAS, the parties agree to extend the term of the agreement, 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 B-1, Budget Period: SFY 19 (G&C Approval – 6/30/2019) by reducing the total budget amount by $28,500, which is identified as unspent funding that is being carried forward to fund the activities in this Agreement for SFY 21 (July 1, 2020 through September 29, 2020), as specified in Exhibit B-3 Amendment #1 Budget, with no change to the contract price limitation.

2. Add Exhibit B-3 Amendment #1 Budget, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 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

6-2-2020
Date

Name:
Title: Associate Commissioner

Elliot Hospital of the City of Manchester

5.22.20
Date

Name: W. Gregory Baxter, MD
Title: President

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

OFFICE OF THE ATTORNEY GENERAL

06/08/20
Date

Catherine Pinos
Name:
Title: Catherine Pinos, 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:

New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Contractor name: Elliot Hospital of the City of Manchester

Budget Request for: Medication Assisted Treatment

Budget Period: July 1, 2020 to September 25, 2020

	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
Line Item	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 18,000.00	$ -	$ 18,000.00	$ -	$ -	$ -	$ 18,000.00	$ -	$ 18,000.00
2. Employee Benefits	$ 2,800.00	$ -	$ 2,800.00	$ -	$ -	$ -	$ 2,800.00	$ -	$ 2,800.00
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ 200.00	$ -	$ 200.00
6. Travel	$ 200.00	$ -	$ 200.00	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,400.00	$ -	$ 2,400.00
Recovery Support Services	$ 2,400.00	$ -	$ 2,400.00	$ -	$ -	$ -	$ 5,100.00	$ -	$ 5,100.00
Waiver Training Stipends	$ 5,100.00	$ -	$ 5,100.00	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ 28,500.00	$ -	$ 28,500.00
TOTAL	$ 28,500.00	$ -	$ 28,500.00	$ -	$ -	$ -			

Indirect As A Percent of Direct 0.0%

Contractor Initials DA
Date 5/28/20

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that ELLIOT HOSPITAL OF THE CITY OF MANCHESTER is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on July 21, 1881. 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: **68025**

Certificate Number: **0004924540**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 3rd day of June A.D. 2020.

William M. Gardner

Secretary of State

CERTIFICATE OF AUTHORITY

I, Paul W. Hoff, PhD, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Elliot Hospital.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on May 21, 2020, in which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That W. Gregory Baxter, MD, President (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Elliot Health System to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: May 22, 2020

Signature of Elected Officer
Name: Paul W. Hoff, PhD
Title: Secretary

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/03/2020

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

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

PRODUCER Willis Towers Watson Northeast, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	CONTACT NAME: Willis Towers Watson Certificate Center PHONE (A/C, No, Ext): 1-877-945-7378 FAX (A/C, No): 1-888-467-2378 E-MAIL ADDRESS: certificates@willis.com
INSURED Elliot Hospital of the City of Manchester One Elliot Way Manchester, NH 03103	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Elliot Health Systems — C2753 INSURER B: Safety National Casualty Corporation — 15105 INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** W16737787 **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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:			SELF INSURED TRUST	09/01/2019	09/01/2020	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 0 $ 0 $ 0 $ 3,000,000 $ 0
	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $
B	Excess Workers Compensation			AGC4059249	09/01/2019	09/01/2020	Statutory Excess SIR	$650,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

SEE ATTACHED

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

Julie M Powers

SR ID: 19689140 BATCH: 1699246

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 01/22/2020

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

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

PRODUCER Willis Towers Watson Northeast, Inc. fka Willis of Massachusetts, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	CONTACT NAME: Willis Towers Watson Certificate Center PHONE (A/C, No, Ext): 1-877-945-7378 FAX (A/C, No): 1-888-467-2378 E-MAIL ADDRESS: certificates@willis.com
INSURED Elliot Health System One Elliot Way Manchester, NH 03303	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Elliot Health Systems — C2753 INSURER B: Safety National Casualty Corporation — 15105 INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** W15277391 **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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC OTHER:			SELF INSURED TRUST	09/01/2019	09/01/2020	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 0 $ 0 $ 0 $ 3,000,000 $ 0
	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	UMBRELLA LIAB [ ] OCCUR EXCESS LIAB [ ] CLAIMS-MADE DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) [ ] Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		AGC4059249	09/01/2019	09/01/2020	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

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

Julia M Powers

AGENCY CUSTOMER ID: _____

LOC #: _____

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Willis Towers Watson Northeast, Inc.	Elliot Hospital of the City of Manchester One Elliot Way Manchester, NH 03103
POLICY NUMBER See Page 1	
CARRIER: See Page 1 / NAIC CODE: See Page 1	EFFECTIVE DATE: See Page 1

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

INSURER AFFORDING COVERAGE: Elliot Health Systems NAIC#: C2753

POLICY NUMBER: SELF INSURED TRUST EFF DATE: 09/01/2019 EXP DATE: 09/01/2020

TYPE OF INSURANCE:	LIMIT DESCRIPTION:	LIMIT AMOUNT:
Physician Professional	Each Medical Incident	$1,000,000
Claims Made	Aggregate	$3,000,000

SR ID: 19689140 BATCH: 1699246 CERT: W16737787

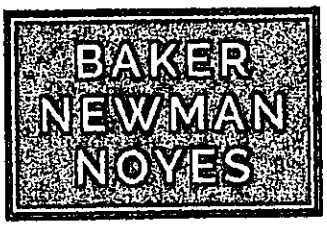
Elliot Hospital
Mission Statement

Elliot Hospital strives to:

INSPIRE wellness

HEAL our patients

and **SERVE** with compassion in every interaction.



Elliot Health System and Affiliates

Audited Consolidated Financial Statements and Other Financial Information

Years Ended June 30, 2019 and 2018
With Independent Auditors' Report

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnncpa.com

ELLIOT HEALTH SYSTEM AND AFFILIATES

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

June 30, 2019 and 2018

TABLE OF CONTENTS

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnncpa.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Elliot Health System

We have audited the accompanying consolidated financial statements of Elliot Health System and Affiliates (the System), which comprise the consolidated balance sheets as of June 30, 2019 and 2018, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Elliot Health System

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the System as of June 30, 2019 and 2018, and the results of its operations, changes in its net assets and its 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 financial statements, in 2019, the System adopted the provisions of Accounting Standards Update (ASU) No. ASU No. 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Baker Newman & Noyes LLC

Manchester, New Hampshire
September 18, 2019

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATED BALANCE SHEETS

June 30, 2019 and 2018

ASSETS

	2019	2018
Current assets:		
Cash and cash equivalents	$ 83,196,511	$ 76,700,470
Accounts receivable, less allowance for doubtful accounts of $21,906,660 in 2019 and $18,709,744 in 2018 (notes 2, 5 and 11)	47,055,288	51,518,823
Inventories	4,380,747	3,801,625
Other current assets (notes 2 and 15)	17,686,613	9,725,426
Total current assets	152,319,159	141,746,344
Property, plant and equipment, less accumulated depreciation (notes 4 and 15)	202,710,683	190,349,608
Investments (notes 6 and 13)	75,712,637	58,304,112
Other assets (notes 2, 12 and 15)	14,736,615	16,305,019
Assets whose use is limited (notes 6 and 13):		
Board designated and donor restricted investments	139,259,925	131,496,969
Held by trustee under revenue bond and note agreements	3,250	11,830,241
Employee benefit plans and other (note 2)	19,813,013	17,006,819
Beneficial interest in perpetual trusts (note 2)	7,438,506	7,233,609
	166,514,694	167,567,638
Total assets	$611,993,788	$574,272,721

LIABILITIES AND NET ASSETS

	2019	2018
Current liabilities:		
Accounts payable and accrued expenses	$ 35,394,215	$ 28,909,870
Accrued salaries, wages and related accounts	33,952,271	33,068,813
Accrued interest	1,741,690	1,775,506
Amounts payable to third-party payors (note 3)	20,512,332	16,244,878
Current portion of long-term debt (note 5)	6,020,428	5,503,469
Total current liabilities	97,620,936	85,502,536
Accrued pension (note 8)	96,853,321	75,042,244
Self-insurance reserves and other liabilities (note 2)	39,988,107	37,845,255
Long-term debt, less current portion (note 5)	156,253,532	162,258,985
Total liabilities	390,715,896	360,649,020
Elliot Health System net assets:		
Without donor restrictions	194,214,667	193,672,606
With donor restrictions (note 7)	27,063,225	19,378,268
Total Elliot Health System net assets	221,277,892	213,050,874
Noncontrolling interests in consolidated affiliates	–	572,827
Total net assets	221,277,892	213,623,701
Total liabilities and net assets	$611,993,788	$574,272,721

See accompanying notes.

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATED STATEMENTS OF OPERATIONS

Years Ended June 30, 2019 and 2018

	2019	2018
Net patient service revenues (net of contractual allowances and discounts) (notes 2, 3, 9 and 14)	$582,151,399	$550,828,697
Provision for bad debts (notes 2, 3 and 9)	(28,096,966)	(26,650,601)
Net patient service revenues less provision for bad debts	554,054,433	524,178,096
Investment income (note 6)	5,552,942	3,236,157
Other revenues	32,793,411	26,406,961
Total revenues	592,400,786	553,821,214
Expenses (note 10):		
Salaries, wages and fringe benefits (note 8)	354,730,841	342,482,276
Supplies and other expenses (note 12)	163,521,167	157,337,824
Depreciation and amortization	21,040,931	18,301,021
New Hampshire Medicaid Enhancement Tax (note 14)	22,564,148	22,004,678
Interest	6,946,906	7,226,343
Total expenses	568,803,993	547,352,142
Income from operations	23,596,793	6,469,072
Nonoperating gains (losses), net:		
Investment return, net (notes 2 and 6)	5,404,253	5,899,679
Other (notes 2 and 9)	(3,367,446)	(1,777,933)
Net periodic pension gain (cost), net of service cost (note 8)	2,589,438	(1,429,629)
Nonoperating gains, net	4,626,245	2,692,117
Consolidated excess of revenues and nonoperating gains over expenses	28,223,038	9,161,189
Noncontrolling interest in the net gain of consolidated affiliates	(47,920)	(43,239)
Excess of revenues and nonoperating gains over expenses attributable to Elliot Health System	28,175,118	9,117,950
Transfer to SolutionHealth	(706,222)	–
Pension adjustment (note 8)	(25,338,867)	12,312,931
Changes in noncontrolling interest in consolidated affiliates	(1,587,968)	–
Increase in net assets without donor restrictions attributable to Elliot Health System	$ 542,061	$ 21,430,881

See accompanying notes.

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Years Ended June 30, 2019 and 2018

	Elliot Health System				
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Elliot Health System Net Assets	Non-controlling Interests in Consolidated Affiliates	Total Net Assets
Balances at July 1, 2017	$172,241,725	$17,078,994	$189,320,719	$ 529,588	$189,850,307
Excess of revenues and nonoperating gains over expenses	9,117,950	–	9,117,950	43,239	9,161,189
Restricted gifts and bequests	–	2,219,772	2,219,772	–	2,219,772
Investment return, net (note 6)	–	94,896	94,896	–	94,896
Net unrealized loss on investments (notes 2 and 6)	–	(15,394)	(15,394)	–	(15,394)
Pension adjustment (note 8)	12,312,931	–	12,312,931	–	12,312,931
Increase in net assets	21,430,881	2,299,274	23,730,155	43,239	23,773,394
Balances at June 30, 2018	193,672,606	19,378,268	213,050,874	572,827	213,623,701
Excess of revenues and nonoperating gains over expenses	28,175,118	–	28,175,118	47,920	28,223,038
Restricted gifts and bequests	–	7,432,590	7,432,590	–	7,432,590
Investment return, net (note 6)	–	277,895	277,895	–	277,895
Net unrealized loss on investments (notes 2 and 6)	–	(25,528)	(25,528)	–	(25,528)
Pension adjustment (note 8)	(25,338,867)	–	(25,338,867)	–	(25,338,867)
Transfer to SolutionHealth	(706,222)	–	(706,222)	–	(706,222)
Changes in noncontrolling interest in consolidated affiliates	(1,587,968)	–	(1,587,968)	(620,747)	(2,208,715)
Increase in net assets	542,061	7,684,957	8,227,018	(572,827)	7,654,191
Balances at June 30, 2019	$194,214,667	$27,063,225	$221,277,892	$ –	$221,277,892

See accompanying notes.

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2019 and 2018

	2019	2018
Operating activities and net gains:		
Increase in net assets	$ 7,654,191	$ 23,773,394
Adjustments to reconcile increase in net assets to net cash provided by operating activities and net gains:		
Depreciation and amortization	21,040,931	18,301,021
Loss on disposal of property, plant and equipment	8,331	283,172
Restricted investment income and net gain on investments	(277,895)	(94,896)
Restricted gifts and bequests	(7,432,590)	(2,219,772)
Pension adjustment	25,338,867	(12,312,931)
Net realized and unrealized gains on investments	(4,864,276)	(5,359,572)
Changes in operating assets and liabilities:		
Accounts receivable, net	4,463,535	6,443,822
Inventories	(579,122)	(276,246)
Other current and noncurrent assets	(6,392,783)	(8,790,556)
Accounts payable and accrued expenses	6,484,345	3,716,562
Accrued salaries, wages and related accounts	883,458	4,407,648
Accrued interest	(33,816)	(12,703)
Accrued pension	(3,527,790)	1,388,563
Self-insurance reserves and other liabilities	2,142,852	7,490,595
Amounts payable to third-party payors	4,267,454	3,308,329
Net cash provided by operating activities and net gains	49,175,692	40,046,430
Investing activities:		
Acquisition of property, plant and equipment	(33,316,868)	(29,184,428)
Net change in assets whose use is limited	5,917,220	12,153,296
Net change in investments	(17,408,525)	(58,304,112)
Net cash used by investing activities	(44,808,173)	(75,335,244)
Financing activities:		
Repayment of long-term debt	(5,581,963)	(5,323,943)
Restricted investment income and net gain on investments	277,895	94,896
Restricted gifts and bequests	7,432,590	2,219,772
Net cash provided (used) by financing activities	2,128,522	(3,009,275)
Increase (decrease) in cash and cash equivalents	6,496,041	(38,298,089)
Cash and cash equivalents at beginning of year	76,700,470	114,998,559
Cash and cash equivalents at end of year	$ 83,196,511	$ 76,700,470

See accompanying notes.

1. Organization

Elliot Health System and Affiliates (the System) consists of Elliot Health System (EHS), a not-for-profit corporation which functions as a parent company to several not-for-profit and for-profit health care entities, and its wholly-owned subsidiaries. EHS is the sole member of the following not-for-profit entities: Elliot Hospital, a provider of health care services whose affiliates also include Elliot Physician Network (EPN), a network of primary care physicians, and Elliot Professional Services (EPS), a network of specialty care physicians (collectively referred to as the Hospital); Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates (the VNA), a provider of home health care and hospice services; and Mary and John Elliot Charitable Foundation, a charitable foundation which supports the System. EHS is also the sole stockholder of Elliot Health System Holdings, Inc. and Subsidiaries, a for-profit corporation which owns interests in health care related and real estate development partnerships and provides real estate and business management services.

Elliot Hospital (excluding EPN and EPS) and EHS comprise the Obligated Group as defined under a Master Trust Indenture dated November 1, 2016 (as amended) related to the 2013 and 2016 bond offerings. See note 5.

The System also participates in certain other strategic affiliation and joint operating agreements with outside entities. In the year ending June 30, 2018, the board of the System, accompanied by the board of Southern New Hampshire Health System, Inc., approved an affiliation agreement between the organizations. The sole corporate member of the System became SolutionHealth, Inc.

2. Significant Accounting Policies

The accounting policies that affect the more significant elements of the financial statements of the System are summarized below:

Principles of Consolidation

The financial statements include the accounts of EHS and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in the consolidation. Noncontrolling interests in less-than-wholly-owned subsidiaries of the System are presented as a component of total net assets to distinguish between the interests of the System and the interests of the noncontrolling owners. Revenues, expenses and nonoperating gains from these subsidiaries are included in the amounts presented on the statements of operations. Excess of revenues and nonoperating gains over expenses attributable to the System separately presents the amounts attributable to the controlling interest for each of the years presented.

2. **Significant Accounting Policies (Continued)**

Noncontrolling Interests

Noncontrolling interests represent the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent. The System's accompanying financial statements include all assets, liabilities, revenues and expenses at their amounts, which include the amounts attributable to the System and the noncontrolling interest. The System recognizes as a separate component of net assets and earnings the portion of income or loss attributable to noncontrolling interests based on the portion of the entity not owned by the System. In May 2019, the System purchased the remaining portion of equity in a consolidated affiliate that was not previously owned by the System. As of June 30, 2019, there is no longer noncontrolling interest in consolidated affiliates as the System controls 100% of all subsidiaries.

Charity Care

The System's patient acceptance policy is based on its mission and its community service responsibilities. Accordingly, the System accepts patients in immediate need of care, regardless of their ability to pay. It does not pursue collection of amounts determined to qualify as charity care based on established policies. These policies define charity care as those services for which no payment is due for all or a portion of the patient's bill. For financial reporting purposes, charity care is excluded from net patient service revenue.

In estimating the cost of providing charity care, the System uses the ratio of average patient care cost to gross charges and then applies that ratio to the gross uncompensated charges associated with providing charity care.

Cash and Cash Equivalents

Cash and cash equivalents include short-term investments and secured repurchase agreements which have an original maturity of three months or less when purchased.

The System maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The System has not experienced any losses on such accounts.

Net Patient Service Revenues and Accounts Receivable

The System has agreements with third-party payors that provide for payments at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, per diem payments and fee schedules. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Changes in these estimates are reflected in the financial statements in the year in which they occur.

The System recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients, the System provides a discount approximately equal to that of its largest private insurance payors.

2. **Significant Accounting Policies (Continued)**

The provision for bad debts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators. The System records a provision for bad debts in the period services are provided related to self-pay patients, including both insurance patients and patients with deductible and copayment balances due for which third-party coverage exists for a portion of their balance.

Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience. The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for doubtful accounts. The increase in the provision for bad debts in 2019 is driven primarily by an overall increase in self pay revenues. Accounts receivable are written off after collection efforts have been followed in accordance with internal policies.

Income Taxes

The System and all related entities, with the exception of Elliot Health System Holdings, Inc. and Subsidiaries, are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Management evaluated the System's tax positions and concluded the System has maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment to the financial statements. Elliot Health System Holdings, Inc. is a holding company and its subsidiaries are for-profit companies subject to federal and state taxation. Income taxes are recorded based upon the asset and liability method.

At June 30, 2019, the System has recorded $434,784 of federal and state income taxes payable in accounts payable and accrued expenses and, at June 30, 2018, the System has recorded $261,527 of prepaid federal and state income taxes in other current assets. The total provision for federal and state current tax expense is recorded in other nonoperating gains (losses) and is $1,070,550 and $124,649 for the years ended June 30, 2019 and 2018, respectively. At June 30, 2019 and 2018, the System has a deferred tax asset of $3,017,169 and $3,223,458 with a corresponding valuation allowance of $904,901 and $633,073, respectively, which is included in other assets, mainly relating to depreciation differences between book and tax on property, plant and equipment.

Elliot Health System Holdings, Inc. believes that it has appropriate support for the income tax positions taken and to be taken on tax returns, and that their accruals for tax liabilities are adequate for all open tax years based on an assessment of many factors including experience and interpretations of tax laws applied to the facts of each matter. Elliot Health System Holdings, Inc. has concluded there are no significant uncertain tax positions requiring disclosure and there is no material liability for unrecognized tax benefits. Elliot Health System Holdings, Inc.'s policy is to recognize interest related to unrecognized tax benefits in interest expense and penalties in income tax expense.

2. **Significant Accounting Policies (Continued)**

Performance Indicator

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as operating revenues and expenses. Peripheral transactions are reported as nonoperating gains or losses.

The statements of operations also include excess of revenues and nonoperating gains over expenses attributable to both controlling and noncontrolling interests. Changes in net assets without donor restrictions which are excluded from excess of revenues and nonoperating gains over expenses, consistent with industry practice, include net assets released from restriction for capital purchases, pension adjustments, changes in noncontrolling interest in consolidated affiliates, and transfers to or from affiliates.

Net Assets With Donor Restrictions

Gifts are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), restricted net assets are reclassified as net assets without donor restrictions and reported in the statement of operations as either net assets released from restrictions for operations (for noncapital-related items) or net assets released from restrictions for property, plant and equipment (for capital-related items). Some restricted net assets have been restricted by donors to be maintained by the System in perpetuity.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Investments and Investment Income

Investments, including funds held by trustee under revenue bond and note agreements, are measured at fair value in the balance sheets. Interest and dividend income on unlimited use investments and operating cash is reported within operating revenues. Investment income or loss on assets whose use is limited (including realized and unrealized gains and losses on investments, and interest and dividends) is reported as nonoperating gains (losses). The System has elected to reflect changes in the fair value of investments and assets whose use is limited, including both increases and decreases in value whether realized or unrealized in nonoperating gains or losses.

Beneficial Interest in Perpetual Trusts

The System has an irrevocable right to receive income earned on certain trust assets established for its benefit. Distributions received by the System are restricted by the donor for use in nursing education and women's and children's services. The System's interest in the fair value of the trust assets is included in assets whose use is limited. Changes in the market value of beneficial trust assets are reported as increases or decreases to net assets with donor restrictions.

2. Significant Accounting Policies (Continued)

Investment Policies

The System's investment policies provide guidance for the prudent and skillful management of invested assets with the objective of preserving capital and maximizing returns. The invested assets include endowment, specific purpose and board designated funds.

Endowment funds are identified as perpetual in nature, intended to provide support for current or future operations and other purposes identified by the donor. These funds are managed with disciplined longer-term investment objectives and strategies designed to accommodate relevant, reasonable, or probable events.

Net assets with donor restrictions are restricted as to time or purpose as identified by the donor or grantor. These funds have various intermediate/long-term time horizons associated with specific identified spending objectives.

Board designated funds have various intermediate/long-term time horizons associated with specific spending objectives as determined by the Board of Directors.

Management of these assets is designed to maximize total return while preserving the capital values of the funds, protecting the funds from inflation and providing liquidity as needed. The objective is to provide a real rate of return that meets inflation, plus 4.5%, over a long-term time horizon (greater than 7 to 10 years).

The System targets a diversified asset allocation that places emphasis on achieving its long-term return objectives within prudent risk constraints.

Spending Policy for Appropriation of Assets for Expenditure

In accordance with the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), the System considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

Spending policies may be adopted by the System, from time to time, to provide a stream of funding for the support of key programs. The spending policies are structured in a manner to ensure that the purchasing power of the assets is maintained while providing the desired level of annual funding to the programs. The System currently has a policy allowing interest and dividend income earned on investments to be used for operations with the goal of keeping principal intact.

2. **Significant Accounting Policies (Continued)**

Inventories

Inventories of supplies and pharmaceuticals are carried at the lower of cost, determined on a weighted-average method, or net realizable value.

Bond Issuance Costs/Original Issue Premium or Discount

The bond issuance costs incurred to obtain financing for construction and renovation programs and the original issue premium or discount are being amortized over the life of the bonds. The original issue premium or discount and bond issuance costs are presented as a component of the face amount of bonds payable.

Property, Plant and Equipment

Property, plant and equipment is stated at cost at time of purchase, or fair market value at time of donation, less reductions in carrying value based upon impairment and less accumulated depreciation. The System's policy is to capitalize expenditures for major improvements and charge maintenance and repairs for expenditures which do not extend the lives of the related assets. The provision for depreciation is computed on the straight-line method at rates intended to amortize the cost of the related assets over their estimated useful lives. Assets which have been purchased but not yet placed in service are included in construction and projects in progress and no depreciation expense is recorded.

Federal Grant Revenue and Expenditures

Revenues and expenses under federal grant programs are recognized as the related expenditure is incurred.

Advertising Expense

Advertising costs are expensed as incurred and totaled approximately $1,755,000 and $1,586,000 in 2019 and 2018, respectively.

Retirement Benefits

The System maintains a defined benefit pension plan for certain of its employees, the Elliot Health System Pension Plan (the Plan). Effective July 1, 2006, the Plan was amended to close the Plan to employees hired after June 30, 2006. Eligible employees hired prior to July 1, 2006 are grandfathered under the Plan and will continue to accrue benefits as long as they remain at a participating System entity and in an eligible status. See note 8 regarding subsequent changes to this Plan.

2. **Significant Accounting Policies (Continued)**

The System's funding policy is to contribute amounts to the Plan sufficient to meet minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974, plus such additional amounts as might be determined to be appropriate from time to time. The Plan is intended to constitute a plan described in Section 414(k) of the Internal Revenue Code, under which benefits derived from employer contributions are based on the separate account balances of participants in addition to the defined benefits under the Plan.

The System provides a defined contribution program for all eligible employees hired on or after July 1, 2006. Under this program, eligible employees may receive annual employer contributions to a System sponsored 403(b) plan or 401(k) plan up to 3% of annual base pay.

The System also provides matching contributions at the discretion of the System to a 403(b) plan or 401(k) plan for eligible employees hired on or after July 1, 2006 equal to up to one-half of the employee's contribution to a maximum of 4% of their annual base pay. Total expense incurred by the System was $5,410,308 and $4,406,612 under these defined contribution plans for the years ended June 30, 2019 and 2018, respectively.

The System sponsors deferred compensation plans for certain qualifying employees. The amounts ultimately due to employees are to be paid upon the employees attaining certain criteria, including age. At June 30, 2019 and 2018, $19,813,013 and $17,006,819, respectively, is reflected in assets whose use is limited and $19,813,013 and $17,006,819, respectively, in other long-term liabilities related to such agreements.

Workers' Compensation

The System is self-insured for workers' compensation. The System has secured its obligation through a surety bond. The System maintains an excess insurance policy to limit its exposure on claims to $650,000 per occurrence. Reserves for claims made and potential unreported claims have been established to provide for incurred but unpaid claims. The amount of the reserve has been determined by an actuarial consultant.

Employee Health and Dental Insurance

The System maintains its own self-insurance plan for employee health and dental. Under the terms of the plan, employees meeting certain eligibility requirements and their dependents are eligible for participation and, as such, the System is responsible for the administration of the plan and any resultant liability incurred. The System maintains individual stop-loss insurance coverage.

Employee Fringe Benefits

Most of the System's entities have an earned time plan. Under this plan, each qualifying employee earns paid leave for each pay period worked. These hours of paid leave may be used for vacations, holidays or illnesses. Hours earned but not used are vested with the employee and are paid to the employee upon termination subject to certain limits. The System accrues a liability for such paid leave as it is earned, which totaled approximately $15,278,000 and $14,166,000 at June 30, 2019 and 2018, respectively, and is recorded in accrued salaries, wages and related accounts on the accompanying balance sheets.

2. **Significant Accounting Policies (Continued)**

Malpractice Loss Contingencies

The System is insured against malpractice loss contingencies under claims-made insurance policies. A claims-made policy provides specific coverage for claims made during the policy period. The System maintains excess professional and general liability insurance policies to cover claims in excess of liability retention levels. At June 30, 2019, there were no known malpractice claims outstanding for the System which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor were there any unasserted claims or incidents which required specific loss accruals. The System has established reserves to cover professional liability exposures for incurred but unpaid or unreported claims. The amounts of the reserves have been determined by actuarial consultants. The possibility exists, as a normal risk of doing business, that malpractice claims in excess of insurance coverage may be asserted against the System.

In accordance with Accounting Standards Update (ASU) No. 2010-24, "*Health Care Entities*" (Topic 954): *Presentation of Insurance Claims and Related Insurance Recoveries* (ASU 2010-24), at June 30, 2019 and 2018, the System recorded a liability of $17,244,125 and $18,474,188, respectively, related to estimated professional liability losses relating to reported cases as well as potentially incurred but not reported claims. At June 30, 2019 and 2018, the System also recorded a receivable of $4,830,031 and $6,298,613, respectively, related to estimated recoveries under insurance coverage for recoveries of the potential losses. These amounts are included in self-insurance reserves and other liabilities, and other assets, respectively, on the balance sheets.

Litigation

The System is involved in litigation and regulatory reviews arising in the ordinary course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the System's financial position, results of operations or cash flows.

Fair Value of Financial Instruments

The fair value of financial instruments is determined by reference to various market data and other valuation techniques as appropriate. Financial instruments consist of cash and cash equivalents, investments, accounts receivable, assets whose use is limited, accounts payable, amounts payable to third-party payors and long-term debt.

The fair value of all financial instruments other than long-term debt approximates their relative book value as these financial instruments have short-term maturities or are recorded at fair value as disclosed in note 13. The fair value of the System's long-term debt is estimated using discounted cash flow analyses, based on the System's current incremental borrowing rates for similar types of borrowing arrangements, and is disclosed in note 5 to the financial statements.

2. **Significant Accounting Policies (Continued)**

Use of Estimates

The preparation of 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for the allowance for doubtful accounts, insurance costs, alternative investment funds, employee benefit plans, contractual allowances, amounts payable to third-party payors and contingencies. It is reasonably possible that actual results could differ from those estimates. Adjustments made with respect to the use of estimates often relate to improved information not previously available.

Reclassifications

Certain 2018 amounts have been reclassified to permit comparison with the 2019 financial statements presentation format.

Subsequent Events

Events occurring after the balance sheet date are evaluated by management to determine whether such events should be recognized or disclosed in the financial statements. Management has evaluated subsequent events through September 18, 2019 which is the date the financial statements were available to be issued.

Recent Accounting Pronouncements

In August 2016, FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958)* (ASU 2016-14) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. ASU 2016-14 is effective for the System for the year ended June 30, 2019. The System has adjusted the presentation of these consolidated financial statements and related footnotes accordingly. The ASU has been applied retrospectively to all periods presented.

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09), which requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the System expects to be entitled in exchange for those goods and services. ASU 2014-09 will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. ASU 2014-09 is effective for the System on July 1, 2019. ASU 2014-09 permits the use of either the retrospective or cumulative effect transition method. The System is evaluating the impact that ASU 2014-09 will have on its financial statements and related disclosures. Although management's analysis is not complete, the adoption of ASU 2014-09 is not expected to have a material effect on the financial statements.

2. Significant Accounting Policies (Continued)

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires that lease arrangements longer than twelve months result in an entity recognizing an asset and liability. The pronouncement is effective for the System beginning July 1, 2020 but likely to be deferred one year, with early adoption permitted. The guidance may be adopted retrospectively. Management is currently evaluating the impact this guidance will have on the System's financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08). Due to diversity in practice, ASU 2018-08 clarifies the definition of an exchange transaction as well as the criteria for evaluating whether contributions are unconditional or conditional. ASU 2018-08 is effective for the System beginning July 1, 2019, with early adoption permitted. The System is evaluating the impact that ASU 2018-08 will have on its financial statements. Although management's analysis is not complete, the adoption of ASU 2018-08 is not expected to have a material effect on the financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments in this ASU modify the disclosure requirements for fair value measurements for Level 3 assets and liabilities, and eliminate the requirement to disclose transfers between Levels 1 and 2 of the fair value hierarchy, among other modifications. ASU 2018-13 is effective for the System on July 1, 2020, with early adoption permitted. The System is currently evaluating the impact that ASU 2018-13 will have on the financial statements.

3. Patient Service Revenues

An estimated breakdown of patient service revenue, net of contractual allowances, discounts and provision for bad debts recognized in 2019 and 2018 from major payor sources, is as follows:

	Gross Patient Service Revenues	Contractual Allowances and Discounts	Provision for Bad Debts	Net Patient Service Revenues Less Provision for Bad Debts
2019				
Private payors (includes coinsurance and deductibles)	$ 613,385,681	$249,367,656	$17,885,626	$ 346,132,399
Medicaid	179,571,994	138,871,387	261,345	40,439,262
Medicare	536,665,088	377,173,282	2,209,646	157,282,160
Self-pay	27,763,157	9,822,196	7,740,349	10,200,612
	$1,357,385,920	$775,234,521	$28,096,966	$ 554,054,433

3. **Patient Service Revenues (Continued)**

	Gross Patient Service Revenues	Contractual Allowances and Discounts	Provision for Bad Debts	Net Patient Service Revenues Less Provision for Bad Debts
2018				
Private payors (includes coinsurance and deductibles)	$ 566,570,143	$222,060,745	$17,848,332	$326,661,066
Medicaid	154,198,057	111,422,349	601,323	42,174,385
Medicare	488,239,440	335,459,655	2,007,486	150,772,299
Self-pay	26,525,775	15,761,969	6,193,460	4,570,346
	$1,235,533,415	$684,704,718	$26,650,601	$524,178,096

Various entities of the System maintain contracts with the Social Security Administration (Medicare) and the State of New Hampshire Department of Health and Human Services (Medicaid). The entities are paid a prospectively determined fixed price for Medicare and Medicaid inpatient acute care services depending on the type of illness or the patient's diagnostic related group classification. Reimbursement for Medicare for outpatient services is based upon a prospective standard rate for procedures performed or services rendered. Home health care and hospice services are reimbursed prospectively on a per episode or per diem basis. Physician services are reimbursed on established and/or negotiated fee schedules. Capital costs and certain Medicare and Medicaid outpatient services are also reimbursed on a prospectively determined fixed rate. The entities receive payment for other Medicare and Medicaid inpatient and outpatient services on a reasonable cost basis which are settled with retroactive adjustments upon completion and audit of related cost finding reports. The percentage of net patient service revenue earned from the Medicare and Medicaid programs was 27% and 4%, respectively, in 2019 and 28% and 8%, respectively, in 2018.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The System believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in net patient service revenues in the year that such amounts become known. The differences between amounts previously estimated and amounts subsequently determined to be recoverable from third-party payors increased net patient service revenues by approximately $1,200,000 and $1,400,000 in 2019 and 2018, respectively.

The various System entities also maintain contracts with Anthem Blue Cross, Cigna, Harvard Pilgrim Health Care, certain commercial carriers, managed care plans and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge and per day, discounts from established charges and fee schedules.

4. Property, Plant and Equipment

The major categories of property, plant and equipment are as follows at June 30:

	2019	2018
Operating properties:		
Land and land improvements	$ 10,470,365	$ 10,456,510
Buildings and fixed equipment	224,291,851	205,185,193
Major movable equipment	208,241,282	189,121,814
Construction and projects in progress	8,840,023	17,015,111
	451,843,521	421,778,628
Less accumulated depreciation	(285,381,592)	(266,359,680)
	166,461,929	155,418,948
Rental properties:		
Land and land improvements	9,961,263	9,785,992
Buildings and fixed equipment	52,983,813	49,903,020
Major movable equipment	134,788	123,207
Construction and projects in progress	50,251	226,312
	63,130,115	60,038,531
Less accumulated depreciation	(26,881,361)	(25,107,871)
	36,248,754	34,930,660
Net property, plant and equipment	$ 202,710,683	$ 190,349,608

5. Debt

Long-term debt consists of the following at June 30:

	2019	2018
New Hampshire Health and Education Facilities Authority - Revenue Bonds:		
Elliot Hospital Obligated Group Series 2016 Bonds with interest ranging from 2.00% to 5.00% per year. Principal payments commenced in October 2017 and are payable in annual installments ranging from $2,875,000 to $10,915,000 through October 2038	$141,745,000	$144,465,000
Plus unamortized original issue premium/discount	16,367,101	16,555,500
	158,112,101	161,020,500

5. **Debt (Continued)**

	2019	2018
Elliot Hospital Obligated Group Series 2013 bonds with a fixed interest rate of 2.05% per year and a total monthly payment of $217,925 of principal and interest through October 1, 2020	$ 3,437,558	$ 5,953,148
Notes payable – see below	1,250,000	1,350,000
Capital lease obligations	–	11,248
	162,799,659	168,334,896
Less current portion	(6,020,428)	(5,503,469)
Less net unamortized bond issuance costs	(525,699)	(572,442)
	$156,253,532	$162,258,985

On November 15, 2016, the Hospital refunded its existing 2009 Series Bonds outstanding of $126,470,000 through the issuance of $147,020,000 in fixed rate New Hampshire Health and Education Facilities Authority Revenue Bonds with interest rates ranging from 2.00% to 5.00%. As of June 30, 2019 and 2018, the balance of defeased 2009 Series Bonds payable not included in the accompanying balance sheets was $124,390,000 and $125,455,000, respectively.

The Obligated Group's agreement with the New Hampshire Health and Education Facilities Authority for the 2016 and 2013 Bonds grants the Authority a security interest in the Hospital's gross receipts and a mortgage on the Hospital's existing and future facilities and equipment. In addition, under the terms of the master indenture, the Obligated Group is required to meet certain covenants requirements. For the years ended June 30, 2019 and 2018, the Hospital was in compliance with all required financial covenants.

The System has a note payable in the amount of $1,250,000 and $1,350,000 at June 30, 2019 and 2018, respectively, the proceeds of which were used for certain property improvements. Interest is payable annually at the fixed rate of 4.61% for the first 10 years, after which it will become variable. Principal and interest are payable annually through the maturity date of December 29, 2031.

Interest paid totaled $7,215,845 and $7,239,047 for the years ended June 30, 2019 and 2018, respectively. There was no interest capitalized for the years ended June 30, 2019 and 2018.

Aggregate annual principal payments required under the bonds and note agreements for each of the five years ending June 30 are approximately as follows: 2020 - $6,020,000; 2021 - $6,527,000; 2022 - $6,817,000; 2023 - $5,755,000; and 2024 - $6,087,000.

The fair value, based on current market rates of the System's long-term debt, was approximately $162,654,000 and $169,267,000 as of June 30, 2019 and 2018, respectively.

5. Debt (Continued)

The System has entered into a $25,000,000 unsecured line of credit agreement with a bank which is due on demand. The line of credit agreement bears interest at LIBOR plus 1.15% (3.55% at June 30, 2019). At June 30, 2019 and 2018, there were no borrowings outstanding under this agreement. The agreement grants the bank a security interest in the System's securities, cash and deposit account balances to collateralize any future outstanding balances.

Subsequent to June 30, 2019, the System entered into a ten year $20,500,000 equipment lease financing with Bank of America to acquire various property and equipment. The financing agreement is due in monthly principal and interest payments at an interest rate of 1.92%.

6. Investments and Assets Whose Use is Limited

Assets whose use is limited at fair value are comprised of the following at June 30:

	2019	2018
Cash and equivalents	$ 7,174,502	$ 15,794,107
Marketable equity securities	91,340,135	72,820,942
Fixed income securities	48,709,870	58,304,112
U.S. Government obligations and corporate bonds	52,862,848	46,015,098
Employee benefit plans and other	19,813,013	17,006,819
Beneficial interest in perpetual trusts	7,438,506	7,233,609
Alternative investments	14,888,457	8,697,063
	$242,227,331	$225,871,750

Board designated and donor restricted investments of various System entities are pooled into the Elliot Common Trust Fund LLC, along with self-insured trust funds, and are comprised of the following at June 30:

	2019	2018
Board designated:		
Capital, working capital and community service	$109,818,714	$106,126,518
Self-insurance	7,791,592	11,486,480
	117,610,306	117,612,998
Donor restricted and other	21,649,619	13,883,971
	$139,259,925	$131,496,969

6. Investments and Assets Whose Use is Limited (Continued)

Funds held by trustee under revenue bond and note agreements are comprised of the following at June 30:

	2019	2018
Construction funds	$ –	$11,828,769
Debt service funds	3,250	1,472
	$3,250	$11,830,241

Investment income, and realized and unrealized gains (losses) on investments are summarized as follows for the years ended June 30:

	2019	2018
Unrestricted investment income and net gains on investments are summarized as follows:		
Investment income	$ 5,552,942	$3,236,157
Nonoperating investment income	514,449	524,713
Realized gains on sale of investments, net	7,825,474	2,262,931
Net unrealized (losses) gains on investments	(2,935,670)	3,112,035
	10,957,195	9,135,836
Restricted investment income and net gains on investments are summarized as follows:		
Investment income and net income on investments	277,895	94,896
Net unrealized losses on investments	(25,528)	(15,394)
	252,367	79,502
Total restricted and unrestricted	$11,209,562	$9,215,338

7. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30:

	2019	2018
Purpose restriction:		
Health care services	$12,332,719	$ 4,787,416
Equipment and capital improvements	564,925	629,489
Education and scholarships	40,823	37,187
	12,938,467	5,454,092

7. Net Assets With Donor Restrictions (Continued)

	2019	2018
Perpetual in nature:		
Investments, gains and income from which is donor restricted	$ 9,473,918	$ 9,273,336
Investments, gains and income from which is released to net assets without donor restrictions	4,650,840	4,650,840
	14,124,758	13,924,176
Total net assets with donor restrictions	$27,063,225	$19,378,268

Net assets with donor restrictions are managed in accordance with donor intent and are invested in various portfolios.

8. Retirement Benefits

A reconciliation of the changes in the Elliot Health System Pension Plan's projected benefit obligation and the fair value of plan assets and a statement of funded status of the plan are as follows as of and for the years ended June 30:

	2019	2018
Changes in benefit obligation:		
Projected benefit obligations, beginning of year	$(345,960,316)	$(363,896,351)
Service cost	(9,061,649)	(9,958,934)
Interest cost	(14,170,462)	(14,072,056)
Benefits paid	8,220,337	22,463,260
Actuarial (loss) gain	(32,757,907)	17,992,287
Administrative expenses paid	1,017,499	1,511,478
Projected benefit obligations, end of year	$(392,712,498)	$(345,960,316)
Changes in plan assets:		
Fair value of plan assets, beginning of year	$ 270,918,072	$ 277,929,739
Actual return on plan assets	24,178,941	6,963,071
Contributions by plan sponsor	10,000,000	10,000,000
Benefits paid	(8,220,337)	(22,463,260)
Actual administrative expense paid	(1,017,499)	(1,511,478)
Fair value of plan assets, end of year	$ 295,859,177	$ 270,918,072
Funded status:		
Fair value of plan assets	$ 295,859,177	$ 270,918,072
Projected benefit obligations	(392,712,498)	(345,960,316)
Funded status of the plan	$ (96,853,321)	$ (75,042,244)

8. **Retirement Benefits (Continued)**

The accumulated benefit obligation at June 30, 2019 and 2018 was $374,353,677 and $329,167,274, respectively.

Amounts recognized in the statements of financial position consist of the following at June 30:

	2019	2018
Net liability recognized	$(96,853,321)	$(75,042,244)

The weighted-average assumptions used to develop the projected benefit obligation are as follows as of June 30:

	2019	2018
Discount rate	3.55%	4.19%
Rate of compensation	3.75	3.75

In 2019, the System began using the MP-2018 mortality improvement scale which also had an impact on the projected benefit obligation.

Amounts recognized in net assets without donor restrictions consist of the following at June 30:

	2019	2018
Net actuarial loss	$87,721,465	$62,382,598
Total amount recognized	$87,721,465	$62,382,598

8. **Retirement Benefits (Continued)**

Pension Plan Assets

The fair values of the System's pension plan assets and target allocations by asset category are as follows as of June 30, 2019 and 2018 (see note 13 for level definitions):

	Target Allocation	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2019					
Short-term investments:	5%				
Cash and sweeps		$ 37,361,929	$ 37,361,929	$ –	$ –
Equity securities:	40%				
Mutual funds		130,671,600	130,671,600	–	–
Other equities		13,498,235	13,498,235	–	–
Fixed income securities:	55%				
Corporate and foreign bonds		113,373,633	–	113,373,633	–
		294,905,397	$181,531,764	$113,373,633	$ –
Unallocated insurance contract		953,780			
		$295,859,177			
2018					
Short-term investments:	5%				
Money market fund		$ 3,477,343	$ 3,477,343	$ –	$ –
Equity securities:	40%				
Common stocks		39,385,395	39,385,395	–	–
Mutual funds		10,460,924	10,460,924	–	–
Other equities		32,231,459	32,231,459	–	–
Fixed income securities:	55%				
Corporate and foreign bonds		184,376,327	–	184,376,327	–
		269,931,448	$ 85,555,121	$184,376,327	$ –
Unallocated insurance contract		986,624			
		$270,918,072			

8. **Retirement Benefits (Continued)**

Management of the assets is designed to maximize total return while preserving the capital values of the fund, protecting the fund from inflation, and providing liquidity as needed for plan benefits. The objective is to provide a rate of return that meets inflation, plus 5.5%, over a long-term horizon.

In addition to the total return goal, the portfolio is constructed to hedge a portion of the interest rate risk of the Plan's liability. The portion of the interest rate risk hedged is the percent of assets allocated to fixed income investments multiplied by the Plan's funded status. The fixed income asset class is structured to reduce the volatility of the funded status by matching the duration of the Plan's liability which is currently approximately 15 years. The current strategic asset allocation target for the fixed income portfolio is 55% of total plan assets, which is designed to hedge approximately 35% of the plan liability.

These funds are managed as permanent funds with disciplined longer term investment objectives and strategies designed to meet cash flow requirements of the plan. Funds are managed in accordance with ERISA and all other regulatory requirements.

Net periodic pension cost includes the following components at June 30:

	2019	2018
Service cost	$ 9,061,649	$ 9,958,934
Interest cost	14,170,462	14,072,056
Expected return on plan assets	(19,033,704)	(18,711,959)
Amortization:		
Actuarial loss	2,273,804	6,061,981
Prior service cost	–	7,551
Net periodic pension cost - System	$ 6,472,211	$ 11,388,563

The weighted-average assumptions used to develop net periodic pension cost were as follows for the years ended June 30:

	2019	2018
Discount rate	4.19%	3.91%
Expected return on plan assets	6.75	6.75
Rate of compensation	3.75	3.75

In selecting the long-term rate of return on assets, the System considered the average rate of earnings expected on the funds invested or to be invested to provide for the benefits of the plan. This included considering the trust's asset allocation and the expected returns likely to be earned over the life of the plan, as well as the historical returns on the types of assets held and the current economic environment.

The loss amount expected to be recognized in net periodic benefit cost in 2020 totals $7,066,439.

8. Retirement Benefits (Continued)

Contributions

The System expects to contribute $10 million to its pension plan in 2020.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Fiscal Year	Pension Benefits
2020	$ 9,891,900
2021	11,303,900
2022	12,825,600
2023	14,057,000
2024	15,365,400
Years 2025 – 2029	91,850,400

On May 16, 2019, the Board of Directors of the System resolved to freeze the defined benefit pension plan effective December 31, 2019. Any employee who is a participant of the plan on that date will continue as a participant. No other person will become a participant after that date. Benefits to participants also will stop accruing on December 31, 2019. This amendment will impact the present value of accumulated plan benefits by eliminating the increase due to annual benefit accruals. In the fiscal year ended June 30, 2020, the System expects to recognize a gain of approximately $18.4 million related to this change.

9. Community Benefits (Unaudited)

The mission of the System is to provide quality, accessible healthcare services to patients regardless of their ability to pay. The System subsidizes certain health care services, supports community-based healthcare providers, and provides outreach and educational programs.

Charity Care

The System provides services to patients who are uninsured or underinsured under its charity care policy at no charge or at amounts less than its established charges. The estimated costs of providing charity care services are determined using the ratio of average patient care costs to gross charges, and then applying that ratio to the gross charges associated with providing such services.

9. Community Benefits (Unaudited) (Continued)

Community Programs and Subsidized Services

The System provides community health programs, health professional education through partnerships with local post-secondary organizations, health screenings, health publications and other health information services. Many of these services are provided at a financial loss and are subsidized by the System in order to meet important community needs that otherwise would not be available. In addition, supporting contributions and in-kind services are made to a number of community organizations for the promotion of health-related activities.

Government-Sponsored Programs

The System provides services to Medicare and Medicaid recipients. Reimbursement for such services is at rates substantially below cost.

The estimated costs of providing community benefits for the years ended June 30, 2019 and 2018 are summarized below:

	2019	2018
Charity care	$ 9,881,000	$ 7,410,000
Community programs and subsidized services	2,567,372	2,073,654
Government-sponsored programs	124,801,352	109,961,931
	$137,249,724	$119,445,585

In addition, the System provides a significant amount of uncompensated care to patients that are reported as bad debts. For the years ended June 30, 2019 and 2018, the System reported provisions for bad debts of $28,096,966 and $26,650,601, respectively.

10. Functional Expenses

The System provides general health care services to residents within its geographic location including inpatient, outpatient, physician and emergency care. Expenses related to providing these services are as follows for the years ended June 30, 2019:

	Health Services	General and Administrative	Total
Salaries, wages and fringe benefits	$267,555,783	$ 87,175,058	$354,730,841
Supplies and other expenses	106,438,045	57,083,122	163,521,167
Interest	3,487,832	3,459,074	6,946,906
New Hampshire Medicaid Enhancement Tax	22,564,148	–	22,564,148
Depreciation and amortization	7,760,330	13,280,601	21,040,931
	$407,806,138	$160,997,855	$568,803,993

10. Functional Expenses (Continued)

The financial statements report certain expense categories that are attributable to more than one healthcare service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as, depreciation and amortization, and interest, are allocated to a function based on square footage. Supporting activities that are not directly identifiable with one or more healthcare programs are classified as general and administrative. If it is impossible or impractical to make a direct identification, allocation of the expenses were made according to management's estimates. Specifically identifiable costs are assigned to the function which they are identified to.

11. Concentration of Credit Risk

The System grants credit without requiring collateral from its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows for the years ended June 30:

	2019	2018
Medicare	31%	30%
Medicaid	11	9
Managed care and other	26	26
Patients (self pay)	18	22
Anthem Blue Cross	14	13
	100%	100%

12. Leases

The System leases various office facilities and equipment from unrelated parties under noncancelable operating leases. Total rental expense, including month-to-month rentals, for the years ended June 30, 2019 and 2018 was $11,980,747 and $10,364,336, respectively.

Future minimum lease payments required under operating leases as of June 30, 2019 are as follows:

Year Ending June 30:	
2020	$ 6,500,484
2021	4,126,517
2022	3,831,651
2023	3,594,093
2024	3,261,629
Thereafter	19,888,221
	$41,202,595

13. Fair Value Measurements

Fair value of a financial instrument is defined as 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. In determining fair value, the System uses various methods including market, income and cost approaches. Based on these approaches, the System often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The System utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the System is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

In determining the appropriate levels, the System performs a detailed analysis of the assets and liabilities that are subject to fair value measurements. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

The following are descriptions of the valuation methodologies used:

Marketable Equity Securities

Marketable equity securities are valued based on stated market prices and at the net asset value of shares held by the System at year end, which generally results in classification as Level 1 within the fair value hierarchy.

Fixed Income Securities

The fair value for debt instruments is determined by using broker or dealer quotations, external pricing providers, or alternative pricing sources with reasonable levels of price transparency. The System holds U.S. governmental and federal agency debt instruments, municipal bonds, corporate bonds, and foreign bonds which are primarily classified as Level 2 within the fair value hierarchy.

13. **Fair Value Measurements (Continued)**

Alternative Investments

The System invests in certain alternative investments that include limited partnership interests in investment funds, which, in turn, invest in diversified portfolios predominantly comprised of equity and fixed income securities, as well as options, futures contracts, and some other less liquid investments. Management has approved procedures pursuant to the methods in which the System values these investments at fair value, which ordinarily will be the amount equal to the pro-rata interest in the net assets of the limited partnership, as such value is supplied by, or on behalf of, each investment from time to time, usually monthly and/or quarterly by the investment manager. These investments are classified at net asset value.

System management is responsible for the fair value measurements of alternative investments reported in the consolidated financial statements. Such amounts are generally determined using audited financial statements of the funds and/or recently settled transactions. Because of inherent uncertainty of valuation of certain alternative investments, the estimate of the fund manager or general partner may differ from actual values, and differences could be significant. Management believes that reported fair values of its alternative investments at the balance sheet dates are reasonable.

Beneficial Interests in Perpetual Trusts

The System is the beneficiary of perpetual trusts held by a third party. Under the terms of the trusts, the System has the irrevocable right to receive the income earned on the assets of the trusts in perpetuity, but never receives the assets held in the trusts. The System has transparency into the holdings of the trusts. These investments are generally classified as Level 1 within the fair value hierarchy.

Employee Benefit Plan and Other

Underlying plan investments within these funds are stated at quoted market prices. These investments are generally classified as Level 1 within the fair value hierarchy.

13. **Fair Value Measurements (Continued)**

Fair Value on a Recurring Basis

The following presents the balances of assets measured at fair value on a recurring basis at June 30:

	Total	Level 1	Level 2	Level 3
2019				
Investments and assets whose use is limited:				
Cash and equivalents	$ 7,174,502	$ 7,174,502	$ –	$ –
Marketable equity securities:				
Common stocks	91,340,135	91,340,135	–	–
Fixed income securities:				
U.S. Government obligations	10,239,373	–	10,239,373	–
Municipal bonds	944,531	–	944,531	–
Corporate bonds	87,485,793	–	87,485,793	–
Foreign bonds	2,903,021	–	2,903,021	–
Beneficial interests in perpetual trusts	7,438,506	7,438,506	–	–
Employee benefit plans and other	19,813,013	19,813,013	–	–
Investments and assets whose use is limited	227,338,874	$125,766,156	$101,572,718	$ –
Alternative investments	14,888,457			
Total assets	$242,227,331			
2018				
Investments and assets whose use is limited:				
Cash and equivalents	$ 15,794,107	$ 15,794,107	$ –	$ –
Marketable equity securities:				
Common stocks	72,820,942	72,820,942	–	–
Fixed income securities:				
U.S. Government obligations	19,893,897	–	19,893,897	–
Municipal bonds	3,184,245	–	3,184,245	–
Corporate bonds	78,812,268	–	78,812,268	–
Foreign bonds	2,428,800	–	2,428,800	–
Beneficial interests in perpetual trusts	7,233,609	7,233,609	–	–
Employee benefit plans and other	17,006,819	17,006,819	–	–
Investments and assets whose use is limited	217,174,687	$112,855,477	$104,319,210	$ –
Alternative investments	8,697,063			
Total assets	$225,871,750			

The alternative investments consist of interests in eleven and six funds at June 30, 2019 and 2018, respectively, that are not actively traded.

13. **Fair Value Measurements (Continued)**

Net Assets Value Per Share

In accordance with ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, the table below sets forth additional disclosures for alternative investments valued based on net asset value to further demonstrate the nature and risk of the investments by category at June 30:

Investment	Net Asset Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
2019				
Equity fund	$2,833,975	$ –	Monthly	90 days
Multi-strategy hedge fund	851,977	–	Illiquid	N/A
Global equity fund	125,708	196,772	Liquid	N/A
Commingled REIT fund	361,648	1,971,361	Liquid	N/A
Multi-strategy hedge fund	1,476,000	–	Annually	N/A
Multi-strategy hedge fund	3,301,280	–	Quarterly	65 days
Multi-strategy hedge fund	2,576,862	–	Quarterly	95 days
Multi-strategy hedge fund	681,144	311,575	Illiquid	N/A
Equity fund	45,910	939,370	Illiquid	N/A
Multi-strategy hedge fund	611,083	1,400,000	Illiquid	N/A
Multi-strategy hedge fund	2,022,870	–	Quarterly	100 days
2018				
Equity fund	$2,841,068	$ –	Monthly	90 days
Multi-strategy hedge fund	748,411	–	Illiquid	N/A
Global equity fund	95,132	110,230	Liquid	N/A
Commingled REIT fund	441,246	1,971,361	Liquid	N/A
Multi-strategy hedge fund	1,377,000	–	Annually	N/A
Multi-strategy hedge fund	3,194,206	–	Quarterly	65 days

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. As such, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the balance sheets and statements of operations.

Investment Strategies

Fixed Income Securities (Debt Instruments)

The primary purpose of fixed income investments is to provide a highly predictable and dependable source of income, preserve capital, and reduce the volatility of the total portfolio and hedge against the risk of deflation or protracted economic contraction.

13. Fair Value Measurements (Continued)

Marketable Equity Securities

The primary purpose of equity investments is to provide appreciation of principal and growth of income with the recognition that this requires the assumption of greater market volatility and risk of loss. The total equity portion of the portfolio will be broadly diversified according to economic sector, industry, number of holdings and other characteristics including style and capitalization. The System may employ multiple equity investment managers, each of whom may have distinct investment styles. Accordingly, while each manager's portfolio may not be fully diversified, it is expected that the combined equity portfolio will be broadly diversified.

Alternative Investments

The primary purpose of alternative investments is to provide further portfolio diversification and to reduce overall portfolio volatility by investing in strategies that are less correlated with traditional equity and fixed income investments. Alternative investments may provide access to strategies otherwise not accessible through traditional equities and fixed income such as derivative instruments, real estate, distressed debt and private equity and debt.

14. Medicaid Enhancement Tax and Disproportionate Share Payment

Under the State of New Hampshire's tax code, the State imposes a Medicaid Enhancement Tax (MET) equal to 5.4% of the Hospital's net patient service revenues, with certain exclusions. The amount of tax incurred by the Hospital for fiscal 2019 and 2018 was $22,564,148 and $22,004,678, respectively.

In the fall of 2010, in order to remain in compliance with stated federal regulations, the State of New Hampshire adopted a new approach related to Medicaid disproportionate share funding retroactive to July 1, 2010. Unlike the former funding method, the State's approach led to a payment that was not directly based on, and did not equate to, the level of tax imposed. As a result, the legislation created some level of losses at certain New Hampshire hospitals, while other hospitals realized gains. The Hospital recorded $16,214,638 and $17,472,570 in disproportionate share revenue for the years ended June 30, 2019 and 2018, respectively, which is recorded in net patient service revenues.

CMS has completed the audits of the State's program and the disproportionate share payments made by the State from 2011 to 2014, the first years that those payments reflected the amount of uncompensated care provided by New Hampshire hospitals. It is possible that subsequent years will also be audited by CMS. The System has recorded reserves to address its exposure based on the audit results to date.

15. Pledges Receivable

Pledges receivable represent promises to give and are predominantly related to a capital campaign for a regional cancer center. Pledges expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The present value of estimated future cash flows has been measured utilizing risk-free rates of return adjusted for market and credit risk established at the time a contribution is received. Amounts are included within other assets on the consolidated balance sheets as of June 30, 2019 and 2018.

Pledges are expected to be collected as follows at June 30, 2019:

One year or less	$ 112,252
Between one year and two years	517,445
Between two years and three years	517,445
Between three years and four years	462,445
Between four years and five years	135,363
Thereafter	726,055
Pledges receivable	2,471,005
Present value discount	(414,899)
Allowance for uncollectible pledges	(119,998)
Pledges receivable, net	$1,936,108

16. Financial Assets and Liquidity Resources

As of June 30, 2019, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, consisted of the following:

Cash and cash equivalents	$ 83,196,511
Accounts receivable	47,055,288
	$130,251,799

To manage liquidity, the System maintains sufficient cash and cash equivalent balances to support daily operations throughout the year. Cash and cash equivalents include bank deposits, money market funds, and other similar vehicles that generate a return on cash and provide daily liquidity to the System. In addition, the System has board-designated assets and investments without donor restrictions that can be utilized at the discretion of management to help fund both operational needs and/or capital projects. As of June 30, 2019, the balances in board-designated assets and investments were $117,610,306 and $75,712,637, respectively.

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INDEPENDENT AUDITORS' REPORT ON OTHER FINANCIAL INFORMATION

Board of Directors
Elliot Health System

We have audited the consolidated financial statements of Elliot Health System and Affiliates (the System) as of and for the years ended June 30, 2019 and 2018, and have issued our report thereon which contains an unmodified opinion on those consolidated statements. See page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Baker Newman & Noyes LLC

Manchester, New Hampshire
September 18, 2019

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATING BALANCE SHEET

June 30, 2019

ASSETS

	Obligated Group*	Elliot Health System	Elliot Hospital and Affiliates	Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates	Elliot Health System Holdings and Subsidiaries	Mary and John Elliot Charitable Foundation	Elimi-nations	Consol-idated
Current assets:								
Cash and cash equivalents	$ 63,342,294	$ 8,467	$ 66,138,993	$ 3,543,383	$ 12,662,939	$ 842,729	$ –	$ 83,196,511
Accounts receivable, net	39,951,318	–	44,191,258	1,516,162	1,347,868	–	–	47,055,288
Inventories	4,002,497	–	4,002,497	–	378,250	–	–	4,380,747
Amounts due from affiliates	2,875,742	–	–	–	859,521	49,603	(909,124)	–
Other current assets	15,926,255	–	16,465,785	70,101	1,155,389	(4,662)	–	17,686,613
Total current assets	126,098,106	8,467	130,798,533	5,129,646	16,403,967	887,670	(909,124)	152,319,159
Property, plant and equipment, net	171,286,758	–	171,638,356	438,949	30,633,279	99	–	202,710,683
Other assets:								
Investment in subsidiary	47,685,270	47,685,270	–	–	–	–	(47,685,270)	–
Investments	75,712,637	–	75,712,637	–	–	–	–	75,712,637
Other	9,128,937	–	9,128,937	–	3,944,896	1,993,185	(330,403)	14,736,615
	132,526,844	47,685,270	84,841,574	–	3,944,896	1,993,185	(48,015,673)	90,449,252
Assets whose use is limited:								
Board designated and donor restricted investments	110,341,008	–	110,341,008	10,049,008	1,163,319	17,706,590	–	139,259,925
Held by trustee under revenue bond and note agreements	3,250	–	3,250	–	–	–	–	3,250
Employee benefit plans and other	19,813,013	–	19,813,013	–	–	–	–	19,813,013
Beneficial interest in perpetual trusts	7,438,506	–	7,438,506	–	–	–	–	7,438,506
	137,595,777	–	137,595,777	10,049,008	1,163,319	17,706,590	–	166,514,694
Total assets	$ 567,507,485	$ 47,693,737	$ 524,874,240	$ 15,617,603	$ 52,145,461	$ 20,587,544	$ (48,924,797)	$ 611,993,788

* Includes Elliot Health System and Elliot Hospital, exclusive of affiliates

LIABILITIES AND NET ASSETS

	Obligated Group*	Elliot Health System	Elliot Hospital and Affiliates	Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates	Elliot Health System Holdings and Subsidiaries	Mary and John Elliot Charitable Foundation	Eliminations	Consolidated
Current liabilities:								
Accounts payable and accrued expenses	$ 32,181,526	$ –	$ 32,667,097	$ 320,796	$ 2,259,290	$ 147,032	$ –	$ 35,394,215
Accrued salaries, wages and related accounts	20,689,976	–	32,425,275	1,177,032	349,964	–	–	33,952,271
Accrued interest	1,737,267	–	1,737,267	–	84,826	–	(80,403)	1,741,690
Amounts payable to third-party payors	20,500,569	–	20,512,332	–	–	–	–	20,512,332
Amounts due to affiliates	–	–	255,971	334,509	318,644	–	(909,124)	–
Current portion of long-term debt	5,920,428	–	5,920,428	–	350,000	–	(250,000)	6,020,428
Total current liabilities	81,029,766	–	93,518,370	1,832,337	3,362,724	147,032	(1,239,527)	97,620,936
Accrued pension	85,305,724	–	93,892,022	2,961,299	–	–	–	96,853,321
Self-insurance reserves and other liabilities	39,988,107	–	39,988,107	–	–	–	–	39,988,107
Long-term debt, less current portion	155,156,065	–	155,156,065	–	1,097,467	–	–	156,253,532
Total liabilities	361,479,662	–	382,554,564	4,793,636	4,460,191	147,032	(1,239,527)	390,715,896
Net assets:								
Without donor restrictions/owners' equity	190,988,210	47,693,737	127,280,063	10,326,066	47,685,270	8,914,801	(47,685,270)	194,214,667
With donor restrictions	15,039,613	–	15,039,613	497,901	–	11,525,711	–	27,063,225
Total net assets	206,027,823	47,693,737	142,319,676	10,823,967	47,685,270	20,440,512	(47,685,270)	221,277,892
Total liabilities and net assets	$ 567,507,485	$ 47,693,737	$ 524,874,240	$ 15,617,603	$ 52,145,461	$ 20,587,544	$ (48,924,797)	$ 611,993,788

* Includes Elliot Health System and Elliot Hospital, exclusive of affiliates

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended June 30, 2019

	Obligated Group*	Elliot Health System	Elliot Hospital and Affiliates	Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates	Elliot Health System Holdings and Subsidiaries	Mary and John Elliot Charitable Foundation	Elimi-nations	Consol-idated
Net patient service revenues (net of contractual allowances and discounts)	$474,935,149	$ –	$549,628,246	$17,092,701	$16,731,161	$ –	$ (1,300,709)	$582,151,399
Provision for bad debts	(24,944,071)	–	(27,369,147)	58,562	(786,381)	–	–	(28,096,966)
Net patient service revenues, less provision for bad debts	449,991,078	–	522,259,099	17,151,263	15,944,780	–	(1,300,709)	554,054,433
Investment income	5,090,433	–	5,090,433	211,814	62,659	188,036	–	5,552,942
Other revenues	35,436,708	–	32,891,740	399,072	9,518,203	1,039,760	(11,055,364)	32,793,411
Total revenues	490,518,219	–	560,241,272	17,762,149	25,525,642	1,227,796	(12,356,073)	592,400,786
Expenses:								
Salaries, wages and fringe benefits	229,356,693	–	337,116,153	13,950,012	4,369,392	595,993	(1,300,709)	354,730,841
Supplies and other expenses	151,743,782	76	156,144,927	3,135,854	16,555,967	1,218,004	(13,533,661)	163,521,167
Depreciation and amortization	18,628,351	–	18,938,677	115,506	1,986,586	162	–	21,040,931
New Hampshire Medicaid Enhancement Tax	22,564,148	–	22,564,148	–	–	–	–	22,564,148
Interest	6,885,935	–	6,885,935	–	69,847	–	(8,876)	6,946,906
Total expenses	429,178,909	76	541,649,840	17,201,372	22,981,792	1,814,159	(14,843,246)	568,803,993
Income (loss) from operations	61,339,310	(76)	18,591,432	560,777	2,543,850	(586,363)	2,487,173	23,596,793
Nonoperating gains (losses):								
Investment return, net	4,080,104	–	4,080,104	177,771	–	1,146,378	–	5,404,253
Other	3,338,110	932,322	697,766	84,690	(1,563,608)	(99,121)	(3,419,495)	(3,367,446)
Net periodic pension gain, net of service cost	2,270,154	–	2,510,152	79,286	–	–	–	2,589,438
Nonoperating gains (losses), net	9,688,368	932,322	7,288,022	341,747	(1,563,608)	1,047,257	(3,419,495)	4,626,245
Consolidated excess of revenues and nonoperating gains (losses) over expenses	71,027,678	932,246	25,879,454	902,524	980,242	460,894	(932,322)	28,223,038
Noncontrolling interests in net gain of consolidated affiliates	–	–	–	–	(47,920)	–	–	(47,920)
Excess of revenues and nonoperating gains (losses) over expenses attributable to Elliot Health System	71,027,678	932,246	25,879,454	902,524	932,322	460,894	(932,322)	28,175,118
Net transfers (to) from affiliates and SolutionHealth	(43,230,412)	5,159,020	(5,964,432)	–	5,318,210	(60,000)	(5,159,020)	(706,222)
Pension adjustment	(21,736,922)	–	(24,577,745)	(761,122)	–	–	–	(25,338,867)
Changes in noncontrolling interest in consolidated affiliates	(1,428,778)	(1,428,778)	–	–	(1,587,968)	–	1,428,778	(1,587,968)
Increase (decrease) in net assets without donor restrictions attributable to Elliot Health System	$ 4,631,566	$4,662,488	$ (4,662,723)	$ 141,402	$ 4,662,564	$ 400,894	$ (4,662,564)	$ 542,061

* Includes Elliot Health System and Elliot Hospital, exclusive of affiliates

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATING BALANCE SHEET

June 30, 2018

ASSETS

	Obligated Group*	Elliot Health System	Elliot Hospital and Affiliates	Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates	Elliot Health System Holdings and Subsidiaries	Mary and John Elliot Charitable Foundation	Eliminations	Consolidated
Current assets:								
Cash and cash equivalents	$ 61,425,766	$ 8,543	$ 63,976,084	$ 2,840,249	$ 8,910,309	$ 965,285	$ –	$ 76,700,470
Accounts receivable, net	42,047,720	–	48,461,909	1,747,260	1,309,654	–	–	51,518,823
Inventories	3,443,050	–	3,443,050	–	358,575	–	–	3,801,625
Amounts due from affiliates	3,224,402	–	278,164	–	537,109	45,520	(860,793)	–
Other current assets	8,531,124	–	8,921,786	53,242	749,874	524	–	9,725,426
Total current assets	118,672,062	8,543	125,080,993	4,640,751	11,865,521	1,011,329	(860,793)	141,746,344
Property, plant and equipment, net	159,991,418	–	160,343,769	532,994	29,472,584	261	–	190,349,608
Other assets:								
Investment in subsidiary	43,022,706	43,022,706	–	–	–	–	(43,022,706)	–
Investments	58,304,112	–	58,304,112	–	–	–	–	58,304,112
Other	11,231,738	–	11,231,738	–	4,246,004	1,148,808	(321,531)	16,305,019
	112,558,556	43,022,706	69,535,850	–	4,246,004	1,148,808	(43,344,237)	74,609,131
Assets whose use is limited:								
Board designated and donor restricted investments	110,067,887	–	110,067,887	9,661,305	1,163,319	10,604,458	–	131,496,969
Held by trustee under revenue bond and note agreements	11,830,241	–	11,830,241	–	–	–	–	11,830,241
Employee benefit plans and other	17,006,819	–	17,006,819	–	–	–	–	17,006,819
Beneficial interest in perpetual trusts	7,233,609	–	7,233,609	–	–	–	–	7,233,609
	146,138,556	–	146,138,556	9,661,305	1,163,319	10,604,458	–	167,567,638
Total assets	$537,360,592	$43,031,249	$501,099,168	$14,835,050	$46,747,428	$12,764,856	$(44,205,030)	$574,272,721

* Includes Elliot Health System and Elliot Hospital, exclusive of affiliates

LIABILITIES AND NET ASSETS

	Obligated Group*	Elliot Health System	Elliot Hospital and Affiliates	Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates	Elliot Health System Holdings and Subsidiaries	Mary and John Elliot Charitable Foundation	Eliminations	Consolidated
Current liabilities:								
Accounts payable and accrued expenses	$ 27,363,969	$ –	$ 27,822,684	$ 253,677	$ 737,960	$ 95,549	$ –	$ 28,909,870
Accrued salaries, wages and related accounts	20,357,448	–	31,579,177	1,163,190	326,446	–	–	33,068,813
Accrued interest	1,771,081	–	1,771,081	–	75,955	–	(71,530)	1,775,506
Amounts payable to third-party payors	16,233,115	–	16,244,878	–	–	–	–	16,244,878
Amounts due to affiliates	–	–	–	392,151	468,643	–	(860,794)	–
Current portion of long-term debt	5,403,469	–	5,403,469	–	350,000	–	(250,000)	5,503,469
Total current liabilities	71,129,082	–	82,821,289	1,809,018	1,959,004	95,549	(1,182,324)	85,502,536
Accrued pension	66,238,550	–	72,698,777	2,343,467	–	–	–	75,042,244
Self-insurance reserves and other liabilities	37,765,254	–	37,765,254	–	–	80,001	–	37,845,255
Long-term debt, less current portion	161,066,094	–	161,066,094	–	1,192,891	–	–	162,258,985
Total liabilities	336,198,980	–	354,351,414	4,152,485	3,151,895	175,550	(1,182,324)	360,649,020
Elliot Health System net assets:								
Without donor restrictions/owners' equity	186,356,644	43,031,249	131,942,786	10,184,664	43,022,706	8,513,907	(43,022,706)	193,672,606
With donor restrictions	14,804,968	–	14,804,968	497,901	–	4,075,399	–	19,378,268
Total Elliot Health System net assets	201,161,612	43,031,249	146,747,754	10,682,565	43,022,706	12,589,306	(43,022,706)	213,050,874
Noncontrolling interests in consolidated affiliates	–	–	–	–	572,827	–	–	572,827
Total net assets	201,161,612	43,031,249	146,747,754	10,682,565	43,595,533	12,589,306	(43,022,706)	213,623,701
Total liabilities and net assets	$ 537,360,592	$ 43,031,249	$ 501,099,168	$ 14,835,050	$ 46,747,428	$ 12,764,856	$ (44,205,030)	$ 574,272,721

* Includes Elliot Health System and Elliot Hospital, exclusive of affiliates

ELLIOT HEALTH SYSTEM AND AFFILIATES

CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended June 30, 2018

	Obligated Group*	Elliot Health System	Elliot Hospital and Affiliates	Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates	Elliot Health System Holdings and Subsidiaries	Mary and John Elliot Charitable Foundation	Eliminations	Consolidated
Net patient service revenues (net of contractual allowances and discounts)	$ 450,049,453	$ –	$ 521,148,429	$17,006,574	$13,343,025	$ –	$ (669,331)	$ 550,828,697
Provision for bad debts	(21,471,096)	–	(26,001,597)	2,238	(651,242)	–	–	(26,650,601)
Net patient service revenues, less provision for bad debts	428,578,357	–	495,146,832	17,008,812	12,691,783	–	(669,331)	524,178,096
Investment income	2,825,755	43	2,825,813	185,443	64,845	160,013	–	3,236,157
Other revenues	28,389,967	–	26,363,428	409,139	8,196,488	1,118,360	(9,680,454)	26,406,961
Total revenues	459,794,079	43	524,336,073	17,603,394	20,953,116	1,278,373	(10,349,785)	553,821,214
Expenses:								
Salaries, wages and fringe benefits	224,469,751	–	324,411,447	13,958,679	4,178,681	602,800	(669,331)	342,482,276
Supplies and other expenses	147,156,717	74	150,805,950	3,100,191	14,400,650	1,000,452	(11,969,493)	157,337,824
Depreciation and amortization	16,084,180	–	16,314,595	130,643	1,855,621	162	–	18,301,021
New Hampshire Medicaid Enhancement Tax	22,004,678	–	22,004,678	–	–	–	–	22,004,678
Interest	7,160,179	–	7,160,179	15	75,021	–	(8,872)	7,226,343
Total expenses	416,875,505	74	520,696,849	17,189,528	20,509,973	1,603,414	(12,647,696)	547,352,142
Income (loss) from operations	42,918,574	(31)	3,639,224	413,866	443,143	(325,041)	2,297,911	6,469,072
Nonoperating gains (losses):								
Investment return, net	4,971,431	–	4,971,431	406,921	–	521,327	–	5,899,679
Other	2,633,728	(39,799)	973,532	58,344	(439,703)	(72,195)	(2,258,112)	(1,777,933)
Net periodic pension cost, net of service cost	(1,261,118)	–	(1,385,079)	(44,550)	–	–	–	(1,429,629)
Nonoperating gains (losses), net	6,344,041	(39,799)	4,559,884	420,715	(439,703)	449,132	(2,258,112)	2,692,117
Consolidated excess (deficiency) of revenues and nonoperating gains (losses) over expenses	49,262,615	(39,830)	8,199,108	834,581	3,440	124,091	39,799	9,161,189
Noncontrolling interests in net gain of consolidated affiliates	–	–	–	–	(43,239)	–	–	(43,239)
Excess (deficiency) of revenues and nonoperating gains losses over expenses attributable to Elliot Health System	49,262,615	(39,830)	8,199,108	834,581	(39,799)	124,091	39,799	9,117,950
Net transfers (to) from affiliates	(41,160,025)	4,589,000	(6,379,025)	–	4,589,000	1,790,025	(4,589,000)	–
Pension adjustment	10,980,648	–	11,834,331	478,600	–	–	–	12,312,931
Increase in net assets without donor restrictions attributable to Elliot Health System	$ 19,083,238	$ 4,549,170	$ 13,654,414	$ 1,313,181	$ 4,549,201	$ 1,914,116	$ (4,549,201)	$ 21,430,881

* Includes Elliot Health System and Elliot Hospital, exclusive of affiliates

Elliot Health System

WE ARE SOLUTIONHEALTH

Board of Directors
2020

W. Gregory Baxter, MD
Loretta Brady, PhD
Rev. John A Cerrato, Jr.
Susan Critz, MS, RN
David Cuzzi
Matthew Dayno, MD
Marina Feldman, MD
Sherry Hausmann
John Hession
Paul Hoff, PhD
James Hood, Esquire
Joseph Hyatt, MD
Dottie Kelley
Linda Kornfeld, MD
Stephen Loosigian, DO
John Mercier
Daniel Monfried
Charles Rolecek
Elizabeth Soukup, MD
Philip Taub, Esquire
James Tenn, Jr., Esquire
Peter van der Meer, MD

CAROL J. FURLONG, LCMHC, MAC, MBA

SKILLS / ABILITIES / ACHIEVEMENTS PROFILE

Administration: Seasoned professional with progressive experience in diverse healthcare and educational environments, including operations, budget control, marketing, quality assurance, risk management, utilization review, facility design and management, human resources, and strategic planning.

Management: Self-starter with strong planning, controlling, organizing and leadership skills. Effectively manages resources and ensures compliance with established policies and procedures. Skilled in identifying and troubleshooting problem areas and implementing solutions. Developed comprehensive Quality Management program. Restructured billing, triage and customer service systems resulting in improved productivity and efficiency. Extensive managed care experience.

Human Resources: Skilled in recruiting, interviewing and selecting top personnel. Effective trainer, develops staff abilities to full potential. Motivates and retains employees using the mentor approach. Managed and supervised training and development of personnel. Knowledgeable regarding multicultural issues. Effectively trained and prepared counseling professionals.

Communication: Articulate speaker and effective negotiator. Writes with strength, clarity and style. Natural ability to work with others. Consistently develops good rapport with staff, professionals, staff managers and community. Works well as part of a team or independently. Wrote and published several training and procedural manuals.

PROFESSIONAL EXPERIENCE

DIRECTOR OF SUBSTANCE USE SERVICES **2017 - present**
Developing and managing four SUD programs – Hillsborough County North Drug Court, a co-occurring Partial Hospitalization Program, a primary care practice MAT program and SUD services in the Emergency Room.

VICE PRESIDENT OF OPERATIONS **2005-2017**
Harbor Homes, Inc. Nashua, NH
Managed over 250 clinical, residential and administrative staff and coordinated a continuum of service delivery for those experiencing physical illness, mental illness, homelessness and other populations. Continuously expanded a fully integrated FQHC for homeless adding dental, MAT, and Medical Respite services along with primary care and Behavioral Health services. Developed Mobile Crisis Response Team for Greater Nashua area. Have successfully completed three HRSA site reviews and a CARF accreditation.

DIRECTOR OF COMMUNITY SUPPORT SERVICES DEPARTMENT **2003 – 2005**
Community Council of Nashua Nashua, NH
Developed and updated program plans, assured monitoring of implementation and implemented corrective actions as indicated. Provided education/consultation to staff, other agencies or community groups. Provided supervision to a clinical staff of approximately 40 therapists, case managers and MIMS workers. Developed Regional Planning of adult services. Assured quality/appropriateness of critical aspects of care through ongoing monitoring.

DIRECTOR OF OUTCOMES & SYSTEM IMPROVEMENT **1999-2003**
Community Council of Nashua Nashua, NH
Developed and maintained a Quality Management Program complying with NCQA and JCAHO standards. Monitored utilization review, evaluated medical necessity, and continuation of care services. Developed effective medical records protocols. Directed training for the agency. Coordinated efforts resulting in highly successful JCAHO survey, (among the top 5% in the country). Coordinated Customer Service and complaints process.

ADJUNCT FACULTY **1990-2005**
Rivier College Nashua, NH
Graduate Counseling Program – Instruct graduate counseling students in a variety of courses to include Group Therapy, Counseling Techniques, Substance Abuse Counseling, Clinical Assessment, Marriage & Family Therapy, and Prescriptive Behavioral Management Techniques.

DIRECTOR OF REGIONAL BEHAVIORAL HEALTH QM 1997-1999
The Hitchcock Clinic Bedford, NH
Developed and maintained a Quality Management Program complying with NCQA standards for four Behavioral Health sites. Developed and implemented program expansion. Identified staffing requirements and facilitated subsequent downsizing to ensure cost effectiveness. Liaison between the Clinic and insurance plans. Monitored and supervised utilization review for the Southern Region, evaluating the medical necessity, case management and continuation of care. Recommended by insurance reviewers to other organizations for consultation services in order to assist these agencies in their compliance processes. Developed effective medical records protocols.

COORDINATOR OF MULTICULTURAL COUNSELING PROGRAM 1998-1999
Rivier College Nashua, NH
Coordinated the Bilingual/Multicultural Counseling Program in both guidance counseling and mental health fields. Recruited and advised professional students from local multicultural agencies. Developed a diversity-training program for use in area schools and businesses to enhance multicultural awareness. Instructor in Graduate Counseling Program.

CLINICAL DIRECTOR 1990-1997
The Hitchcock Clinic Nashua, NH
Developed and implemented program policies and procedures. Managed FTE and budgetary control while providing effective leadership to the staff. Improved out-referral system, while reducing out-referral expenditures. Developed cooperative collaboration measures with insurers' UM Departments. Supervised a staff of thirty employees. Senior member of the Regional Management Team and a member of the Nashua Medical Group Board of Governors.

PROGRAM DIRECTOR 1988-1990
Partial Hospitalization Program, Brookside Hospital Nashua, NH
Developed program components, structure, policies and procedures. Implemented FTE and budgetary control and supervised treatment staff. Initiated referral network and maintained marketing and referral relationships within the Greater Nashua community. Facilitated groups provided case management and individual counseling including initial assessments. Monitored case management and utilization review processes with insurers.

PROGRAM DIRECTOR – SUBSTANCE ABUSE CLINIC 1985-1988
Department of the Army West Germany
Developed comprehensive preventive substance abuse program. Coordinated efforts with schools, civic organizations, civilian agencies and military organizations in order to integrate preventive education efforts. Supervised clinical and support staff of two treatment clinics. Maintained referral relationships with commanders.

ARMY COMMUNITY SERVICE DIRECTOR 1983-1985
Department of the Army West Germany
Developed comprehensive community support agency. Responsible for staffing and budgetary concerns. Composed informational publications, prepared financial and statistical reports and submitted budget requests to the U. S. government for agency funding. Responsible for FAP (Family Advocacy Program).

EDUCATION

MASTERS OF BUSINESS ADMINISTRATION DEGREE
IN HEALTHCARE ADMINISTRATION - 2001
Rivier College, Nashua

MASTERS OF SCIENCE IN EDUCATION (COUNSELING) - 1986
University of Southern California

BACHELORS IN EDUCATION (SPECIAL EDUCATION)
Westfield State College, Westfield, MA

LICENSES AND CERTIFICATIONS

LICENSED CLINICAL MENTAL HEALTH COUNSELOR
New Hampshire License #100 – 1998

MASTERS ADDICTION COUNSELOR CERTIFICATION
1997

SHANNON RONDEAU, RN, NREMT

SUMMARY

Professional Registered Nurse with strong leadership, coaching and communication skills. Recognized for working collaboratively with multidisciplinary teams to achieve successful patient outcomes. Expertise in working with various populations, providing care coordination with the goal of improved patient engagement, leading to improved health and wellness. Strong inter-personal communication skills, exceptional work ethic, highly organized and works well under pressure.

PROFESSIONAL EXPERIENCE

SOBRIETY CENTERS OF NH-ANTRIM HOUSE, Antrim, NH — **December 2017 – Present**

Professional Registered Nurse
Responsible for implementing and supervising nursing services in the medical withdrawal management and SUD residential programs. Give direction to counselor assistants on shift. Assist in training and evaluation of staff. Develop policies and procedures.

- Implement nursing care in accordance with program procedures established by the Medical Director and approved by the Executive Director, including Medication Assisted Treatment.
- Implement verbal physician orders and authenticate in writing, within a reasonable time, and include in the patient record. Communicate with physicians, pharmacists, counselors and direct care staff.
- Actively and compassionately interact with patients to encourage engagement in treatment after completion of withdrawal and during residential stay.
- Screen and provide first response to clients in residential program, including obtaining admission health history and physical assessment, accidents and medical complaints, e.g., cuts, earaches, sore throats, reported pain, etc., making referrals to local emergency department or urgent care facility when necessary.
- Provide patient education on health care, substance use disorder, and medication compliance as assigned or appropriate.
- Develop and maintain policies, procedures, workflows and other tools to document expected best practices and to support clinical effectiveness.

MONADNOCK COMMUNITY HOSPITAL, Peterborough, NH — **March 2017 – December 2017**

ACO Care Coordinator
Responsible for coordinating team-based care to provide health services for individuals, through effective partnerships with patients, their caregivers/families, community resources, and their physician. Demonstrate evidence of essential leadership, communication, education, collaboration, and counseling skills.

- Provide a coordinated, strategic approach to detect early and manage effectively the chronically ill patient population.
- Cultivate effective partnerships, effectively collaborate with all practice providers (Physician, Nurse Practitioner, Physician Assistant and other licensed allied health team-members).
- Develop and maintain policies, procedures, workflows and other tools to document expected best practices and to support clinical effectiveness.
- Demonstrate understanding in use of IT resources and patient databases.
- Utilize effective delegation skills to streamline operational workflows and optimize inter-office resources.

ANTHEM, INC., Manchester, NH — **January 2016 – October 2016**

Senior Clinical Care Consultant
Responsible for consulting with health care organizations to improve the effectiveness and efficiency of provider practices and clinical processes in the implementation of population health management strategies with a goal of achieving shared savings.

- Obtain and analyze cost and quality data and reports to support primary care practices' implementation of population health management, care coordination and care management strategies.
- Identify action plans and participate in design, development, and implementation of quality improvement activities.
- Serve as the point of contact for providers and primary care practices for shared savings program on-boarding and facilitation of meetings between Anthem and the provider office.
- Create and host tailored learning opportunities to support the deployment of program interventions and events that allow practices to learn from one another and national experts.

DARTMOUTH-HITCHCOCK MEDICAL CENTER, Bedford, NH — **December 2013 – January 2016**

Manager Clinical Population Health, ACO Support

Responsible for implementation and management of the strategic vision and goals related to ambulatory care management programs, patient engagement, and quality improvement across Dartmouth-Hitchcock Health and affiliates to improve overall performance and outcomes.

- Developed and implemented care coordination playbook on best practices for patient engagement and care coordination within the patient centered medical home, including processes for care management, care planning, health coaching, goal development, and collaboration with medical neighborhood.
- Developed and maintained policies, procedures, workflows and other tools to document expected best practices and to support clinical effectiveness.
- Management and oversight of nurse care coordination team.

Health Coach, Center for Shared Decision Making — **March 2013 – December 2013**

Collaborated with multidisciplinary clinical teams in the patient centered medical home engaged in quality improvement processes to implement health coaching practice and patient engagement interventions within current workflows. Worked directly with the site coordinator to ensure delivery of high-quality, evidence-based, and patient-centered health coaching services while adhering to standard operating procedures with a high level of independence.

- Employed high quality, consistent health coaching strategies to support patients and families; ensured maximal participation of the appropriate patients and families in health coaching and wellness programs; and effectively engaged patients and families by consistently implementing evidence based processes, procedures and tools.
- In collaboration with primary care physicians, care coordinators, and home health providers developed treatment plans, medication management and disease prevention protocols for individuals managing chronic physical and/or psychological illnesses.
- Designed and provided education via individual and group health training on various health and wellness topics with a goal of improving health and decreasing complications related to unhealthy behaviors.

HEALTH DIALOG, Bedford, NH — **August 2011 – December 2012**

RN Manager / Community Leader

Provided management of 12-15 health coaches in a 24 hour registered nurse call center. Assisted in the development of protocols focusing on care coordination and transitions of care.

- Maintained effective coaching skills by actively coaching members and assisting health coaches to manage complex cases.
- Supported the success of up to 15 health coaches on how to reach and engage members to whom coaching could have a positive impact on their behavior.
- Developed and mentored health coaches to reach personal and professional goals and to improve clinical / technical knowledge helping them to effectively support members managing chronic illnesses.

RN / Health Coach

Recruited and promoted to a manager position after 4 months in this role. Educated and guided members through their health care and wellness choices by accessing approved health coaching tools utilizing branching logic protocols, websites, library resources, and Shared Decision-Making materials for research.

- Supported health and well-being of members in management of chronic conditions by performing assessments as indicated, utilizing shared decision-making tools, and providing evidence-based nursing care.
- Provided clinical support as needed in handling complex coaching situations or when independent nursing judgment and/or comprehensive assessments were necessary.

DARTMOUTH MEDICAL SCHOOL, ADDICTION RESEARCH CENTER, Hanover, NH — **August 2007 – February 2012**

RN / Project Coordinator III

Planned, coordinated and implemented defined research activities including direct patient care, providing expertise and guidance to the research team and investigators, assessment of clinical ratings, and data collection for two sites.

- Maintained open communication by coordinating weekly team meetings and participating in weekly patient supervision with all investigators, physicians, and study personnel.
- Met with study participants to monitor for adverse events, medication compliance and health status.
- Provided physical and psychological assessments to evaluate, monitor, and plan for the health and well-being of study participants.

- Ensured the health, safety and welfare of study subjects were maintained through collection of informed consent, regularly scheduled study visits, and compliance with the study protocol.
- Designed, established, and conducted training programs for clinical research staff.
- Composed informed consent forms and protocol abstracts. Created study documents and study management tools for adverse event monitoring, inter-rater reliability, and others as needed.

EDUCATION

- **BS**, Healthcare Administration
  - New England College, Henniker, NH
- **AS**, Nursing
  - Rivier College, Nashua, NH

LICENSURE & CERTIFICATION

- New Hampshire Registered Nurse
  - License #056554-21
- NREMT, NH EMT
  - License #33101 E

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Carol Furlong	Program Director	$31,500	0%	$0
Shannon Rondeau	Nurse Care Coordinator	$18,000	100%	$18,000.

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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR BEHAVIORAL HEALTH

BUREAU OF DRUG AND ALCOHOL SERVICES

Jeffrey A. Meyers
Commissioner

Katja S. Fox
Director

105 PLEASANT STREET, CONCORD, NH 03301
603-271-6110 1-800-852-3345 Ext. 6738
Fax: 603-271-6105 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

December 4, 2018

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, Bureau of Drug and Alcohol Services, to enter into an agreement with Elliott Health System as listed below in bold, to provide comprehensive Medication Assisted Treatment, in an amount not to exceed $271,428, thereby increasing the price limitation in the aggregate by $271,428 from $1,125,710 to $1,397,138, effective upon Governor and Executive Council approval through September 29, 2020. 100% Federal Funds.

Vendor Name	Vendor ID	Vendor Address	Current Amount	Increase/ (Decrease)	New Amount
Elliot Health System of the City of Manchester	174360	1 Elliot Way, Manchester, NH, 03101	$0	$271,428	$271,428
Harbor Homes, Inc.	155358	77 Northeastern Blvd, Nashua, NH 03062	$271,428	$0	$271,428
LRGHealthcare	177161	80 Highland St. Laconia, NH 003246	$271,428	$0	$271,428
Mary Hitchcock Memorial Hospital	177651	One Medical Center Drive Lebanon, NH 03756	$311,426	$0	$311,426
Riverbend Community Mental Health, Inc.	177192	278 Pleasant Street, Concord, NH 03302	$271,428	$0	$271,428
		Total	**$1,125,710**	**$271,428**	**$1,397,138**

Funds are available in the following account for State Fiscal Year (SFY) 2019, and are anticipated to be available in SFY 2020 and SFY 2021, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT.

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ (Decrease)	New Amount
2019	102-500731	Contracts for Program Services	92057040	$562,627	$135,714	$698,341
2020	102-500731	Contracts for Program Services	92057040	$563,083	$135,714	$698,797
			Total	**$1,125,710**	**$271,428**	**$1,397,138**

EXPLANATION

The purpose of this request is for the provision of comprehensive Medication Assisted Treatment (MAT) using FDA-approved medications for individuals with Opioid Use Disorder (OUD) who require community-based services. These agreements also ensure the provision of services specifically designed for pregnant and postpartum women with OUD. This is the fifth (5th) and final contract for these services to be brought forward to the Governor and Executive Council. The previous four (4) agreements were approved by the Governor and Executive Council on December 5, 2018 (Item #22).

These services are part of the State's accepted plan to the Substance Abuse and Mental Health Services Administration (SAMHSA) under the State Opioid Response (SOR) grant. This grant is being used to make critical investments in the substance use disorder system in order to reduce unmet treatment needs, reduce opioid overdose fatalities, and increase access to MAT over the next two (2) years.

The vendors will provide services to individuals with OUD in need of evidence-based MAT alongside necessary outpatient and wrap around services to support recovery. Vendors will provide MAT services to the general population as well as enhanced services for pregnant and postpartum women in need of additional supports to be successful in recovery including, but not limited to childcare, transportation and parenting education.

Unique to these services is a robust level of client-specific data that will be available, which will be collected in coordination with the nine (9) Regional Hubs that were approved by Governor and Executive Council at the October 31, 2018 meeting. The SOR grant requires

that all individuals served receive a comprehensive assessment at several time intervals, specifically at intake, three (3) months, six (6) months and upon discharge. Through collaborative agreements with the Vendors under these contracts, the Regional Hubs will be responsible for gathering data on client-related outcomes including, but not limited to recovery status, criminal justice involvement, employment, and housing needs at the time intervals listed above. This data will enable the Department to measure short and long-term outcomes associated with SOR-funded initiatives and to determine which programs are generating the best results for the clients served.

In addition to the client-level outcomes noted above, the following performance measures will be used to measure the effectiveness of the agreement:

- Fifty percent (50%) of individuals with OUD referred to the Vendor for MAT services receive at least three (3) clinically-appropriate, MAT-related services.
- One hundred percent (100%) of clients seeking services under this proposed contract that enter care directly through the Vendor, who consent to information sharing with the Regional Hub for OUD services, receive a Hub referral for ongoing care coordination.
- One hundred percent (100%) of clients referred to the Vendor by the Regional Hub for OUD services have proper consents in place for transfer of information for the purposes of data collection between the Hub and the Vendor.

A Request for Proposals was posted on The Department of Health and Human Services' web site from September 5, 2018 through September 26, 2018. The Department received six (6) proposals. The proposals were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The five (5) vendors listed in the Requested Action were selected. The Score Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of these contracts, these agreements have the option to extend for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 and SFY 2022-2023 biennia.

Should the Governor and Executive Council not authorize this request, individuals with OUD in need of MAT and additional supports may have reduced access to services or increased likelihood of having to be placed on a waitlist to access care. This may result in a an increase of overdose fatalities during the waiting period and/or reduced motivation to seek help if it is unavailable to individuals when they are ready to seek assistance for OUD.

Area served: Integrated Delivery Network (IDN) Regions 1-5

Source of Funds: 100% Federal Funds from the Substance Abuse and Mental Health Services Administration, State Opioid Response Grant, (CFDA #93.788, FAIN TI081685)

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

Respectfully submitted,

Katja S. Fox
Director

Approved by:
Jeffrey A. Meyers
Commissioner

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT					
100% Federal Funds					
Activity Code: 92057040					
Elliot Heath System					
Vendor # 174360					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**	**Increase/ (Decrease)**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$0	$ 135,714.00	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$0	$ 135,714.00	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$0	$ -	$ -
		Subtotal	**$0**	**$ 271,428.00**	**$ 271,428.00**
Harbor Homes					
Vendor # 155358					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00	$0	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00	$0	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -	$0	$ -
		Subtotal	**$ 271,428.00**	**$0**	**$ 271,428.00**
LRG Healthcare					
Vendor # 177161					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00	$0	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00	$0	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -	$0	$ -
		Subtotal	**$ 271,428.00**	**$0**	**$ 271,428.00**
Mary Hitchcock					
Vendor # 177651					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 155,485.00	$0	$ 155,485.00
2020	Contracts for Prog Svs	102-500731	$ 155,941.00	$0	$ 155,941.00
2021	Contracts for Prog Svs	102-500731	$ -	$0	$ -
		Subtotal	**$ 311,426.00**	**$0**	**$ 311,426.00**
Riverbend Community Mental Health					
Vendor # 177192					
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**		**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00	$0	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00	$0	$ 135,714.00
2021	Contracts for Prog Svs	102-500731		$0	
		Subtotal	**$ 271,428.00**	**$0**	**$ 271,428.00**
		TOTAL	**$ 1,125,710.00**	**$ 271,428.00**	**$ 1,397,138.00**

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

Medication Assisted Treatment
RFP Name

RFP-2019-BDAS-05-MEDIC
RFP Number

Bidder Name	Pass/Fail	Maximum Points	Actual Points
1. Elliot Health System		610	499
2. Harbor Homes, Inc.		610	501
3. LRGHealthcare		610	450
4. Mary Hitchcock Memorial Hospital		610	393
5. New Approaches, Inc.		610	132
6. Riverbend CMH, Inc.		610	477

Reviewer Names

1. Abby Shockley, Snr Policy Analyst, Substnc Use Srvs DBH
2. Regina Flynn, MAT-PDOA Project Coordinator, BDAS
3. Ann Collins, RN Public Health Nurse Coordnatr, BCHS-DPHS
4. Laurie Heath, Business Admin III, DBH/BDAS Finance
5.
6.
7.
8.

FORM NUMBER P-37 (version 5/8/15)

Subject: Medication Assisted Treatment (RFP-2019-BDAS-05-MEDIC-01)

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

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Elliot Hospital of the City of Manchester		1.4 Contractor Address One Elliott Way Manchester, NH 03103	
1.5 Contractor Phone Number 603-663-1600	1.6 Account Number 05-95-92-920510-7040 – 500731	1.7 Completion Date September 29, 2020	1.8 Price Limitation $271,428
1.9 Contracting Officer for State Agency Nathan D. White, Director Bureau of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory Wesley Baxter, MD Chief Executive Officer	

1.13 Acknowledgement: State of NH, County of Hillsborough

On 11-30-2018, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

[Seal]

JUDY MARKELL
STATE OF
MY
COMMISSION
EXPIRES
NOVEMBER 8,
2022
NEW HAMPSHIRE
NOTARY PUBLIC

1.13.2 Name and Title of Notary or Justice of the Peace

Judy Markell, Administrative Assistant, Notary

1.14 State Agency Signature Date: 12/4/18	1.15 Name and Title of State Agency Signatory Christine S Fox, Director

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 12/10/18

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials [signature]
Date 11-30-17

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

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

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

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

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

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

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

Contractor Initials ASK
Date 11-20-18

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

Contractor Initials _____

Date 11.30.18

Scope of Services

1. Provisions Applicable to All Services

1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 and SFY 2022-2023 biennia.

1.4. For the purposes of this contract, the Contractor shall be identified as a subrecipient, in accordance with 2 CFR 200.0. *et seq*. Specifically, the Contractor shall be the Elliot Hospital of the City of Manchester, which has been awarded the funds set forth herein to provide certain Medication Assisted Treatment to help address the opioid epidemic.

1.5. Nothing in this Exhibit A or any other provision of the Agreement is intended to interfere with or supersede the independent clinical judgment of the Contractor's employees and staff providing services hereunder. Nor shall anything in this Exhibit A or any other provision of the Agreement require the Contractor to take any action contrary to the best interest of the patient.

2. Scope of Work – Community Based

2.1. The Contractor shall provide comprehensive MAT services for individuals with opioid use disorder (OUD) in Integrated Delivery Network (IDN) Region 4, which is comprised of the Greater Derry and Greater Manchester areas. The Contractor shall ensure services include, but are not limited to:

2.1.1. Delivering outpatient or intensive outpatient treatment to individuals with OUD in accordance with the American Society of Addition Medicine (ASAM) criteria.

2.1.2. A Partial Hospitalization Program comprised of a multidisciplinary team that includes, but is not limited to:

2.1.2.1. Licensed mental health and substance use clinicians.

2.1.2.2. Psychiatric providers.

2.1.2.3. Certified Recovery Support Workers (CRSW).

2.1.2.4. Nurses.

2.1.2.5. Case managers.

2.1.3. An Intensive Outpatient Program which is team oriented, collaborative, and interdisciplinary with behavioral health clinicians co-located within primary care practices.

2.1.4. Services that support MAT services include, but are not limited to:

2.1.4.1. Behavioral therapies.

2.1.4.2. Psychosocial supports.

2.1.4.3. Wrap-around community-based services.

2.1.4.4. Medication.

2.2. The Contractor shall be a certified Opioid Treatment Program in accordance with He-A 304 if methadone is used for patients served under this contract.

2.3. The Contractor shall coordinate services with community-based agencies in order to provide wrap-around services, which may include, but are not limited to, agencies that provide:

2.3.1. Housing.

2.3.2. Food.

2.3.3. Childcare.

2.3.4. Transportation.

2.3.5. Legal services.

2.3.6. Employment / Training.

2.3.7. Support Groups.

2.3.8. Medical (non-SUD) and Dental Care.

2.3.9. Emergency Assistance.

2.3.10. Family Support Services.

2.4. The Contractor shall ensure individuals receive patient-centered care focused on overdose prevention by using tools which include, but are not limited to:

2.4.1. Center for Disease Control (CDC) opioid prescribing guidelines.

2.4.2. Substance Abuse and Mental Health Services Administration's (SAMHSA's) Opioid Overdose Prevention Toolkit.

2.4.3. State published Guidance Document on Best Practices: Key Components for Delivering Community Based Medication Assisted Treatment Services for Opioid Use Disorders in New Hampshire.

2.5. The Contractor shall provide OUD treatment services that support the Resiliency and Recovery Oriented Systems of Care (RROSC) by operationalizing the Continuum of Care Model. (More information can be found at: http://www.dhhs.nh.gov/dcbcs/bdas/continuum-of-care.htm).

2.6. The Contractor shall provide interim OUD treatment services when treatment services are not available to the client within forty-eight (48) hours of referral, which include, but are not limited to:

2.6.1. A minimum of one (1) sixty (60) minute individual or group outpatient session per week.

2.6.2. Recovery support services as needed by the client.

2.6.3. Daily calls to the client to assess and respond to any emergent needs.

2.7. The Contractor shall ensure patients are able to transition seamlessly between levels of care within a group of services. The Contractor shall:

2.7.1. Collaborate with Continuum of Care Facilitator(s) in the development of a resiliency and recovery oriented system of care (RROSC) in the region(s) served.

2.7.2. Participate in the Regional Continuum of Care Workgroup(s).

2.7.3. Participate in the Integrated Delivery Network(s) (IDNs).

2.7.4. Coordinate all services delivered to patients with the local Regional Hub for OUD services (hereafter referred to as "Hub") including, but not limited to accepting clinical evaluation results for level of care placement from the Hub.

2.8. Before disclosing or re-disclosing any patient information, the Contractor shall ensure that all required patient consent or authorizations to disclose or further disclose confidential protected health information (PHI) or substance use disorder treatment information (SUD) according to all state rule, state and federal law and the special rules for redisclosure in 42 CFR part 2 have been obtained.

2.9. The Contractor shall modify their office electronic health record (EHR) and clinical work flow to ensure required screening activities by clinical staff and appropriate required data collection by care coordinators.

2.10. The Contractor shall establish and maintain formal partnerships with behavioral health, OUD specialty treatment, Recovery Support Services (RSS), and medical practitioners to meet the needs of the patients served.

2.11. The Contractor shall collaborate and develop formal referral and information sharing agreements with other providers that offer services to individuals with OUD, including the local Hub.

2.12. The Contractor shall communicate client needs with the Hub(s) to ensure client access to financial assistance through flexible needs funds managed by the Hub(s).

2.13. The Contractor shall maintain the infrastructure necessary to:

2.13.1. Achieve the goals of MAT expansion.

2.13.2. Meet SAMHSA requirements.

2.13.3. Deliver effective medical care to patients served under this contract.

2.14. The Contractor shall actively participate in state-funded projects which include, but are not limited to:

2.14.1. "Community of Practice for MAT."

2.14.2. Project-specific trainings.

2.14.3. Quarterly web-based discussions.

2.14.4. On-site Technical Assistance (TA) visits.

2.14.5. Ad hoc communication with expert consultants on MAT clinical care topics such as Hepatitis C Virus (HCV) and Human Immunodeficiency Virus (HIV) prevention, diversion risk mitigation and other relevant issues.

2.15. The Contractor shall ensure compliance with confidentiality requirements which include, but are not limited to:

2.15.1. Federal and state laws and New Hampshire state administrative rules.

2.15.2. HIPAA Privacy Rule.

2.15.3. 42 C.F.R Part 2.

2.16. The Contractor shall have policies and procedures in place to ensure that all staff are trained in the areas listed in Subsection 2.15 and will safeguard all confidential information.

2.17. The Contractor shall participate in all evaluation activities associated with the funding opportunity, including national evaluations.

2.18. The Contractor shall use data to support quality improvement to ensure the standard of care for patients continuously improves.

2.19. The Contractor shall utilize the State's Prescription Drug Monitoring Program (PDMP) database to mitigate prescription drug diversion or harmful interactions.

2.20. The Contractor shall develop, obtain Department approval, and implement outreach and marketing activities specifically designed to engage the population(s) identified

in the community using MAT and wrap around services that are culturally appropriate and follow Culturally and Linguistically Appropriate Standards (CLAS) standards.

2.21. The Contractor shall ensure outreach and marketing activities include, but are not limited to:

2.21.1. Ads on television, radio, or print.

2.21.2. Distribution of the newsletter "Your Wellness Matters."

2.22. The Contractor shall assess, plan, implement, and have improvement measures for the program.

2.23. The Contractor shall ensure meaningful input of patients in program assessment, planning, implementation, and improvement which shall include, but not be limited to:

2.23.1. The use of a Patient Family Advisory committee.

2.23.2. Client satisfaction surveys at the completion of the program and three (3) months post completion.

2.23.3. Semi-annual overall patient satisfaction surveys.

2.23.4. Requesting Drug Court graduates to provide feedback on their experience with treatment services and the program.

2.24. The Contractor shall have billing capabilities which include, but are not limited to:

2.24.1. Enrolling with Medicaid and other third party payers.

2.24.2. Contracting with managed care organizations and insurance companies for MAT.

2.24.3. Having a proper understanding of the hierarchy of the billing process.

2.25. The Contractor shall assist patients with obtaining either on-site or off-site RSS including, but not limited to:

2.25.1. Transportation.

2.25.2. Childcare.

2.25.3. Peer support groups.

2.25.4. Recovery coach.

2.26. The Contractor shall establish agreements with specialty treatment organizations that can provide higher levels of OUD treatment and co-occurring mental health treatment.

2.27. If training or other services on behalf of the Department involve the use of social media or a website which solicits information of individuals, the Contractor shall

collaborate with the DHHS Communications Bureau to ensure that NH DoIT website requirements are met, and that any Protected Health Information (PHI), Substance Use Disorder treatment data (SUD), Personal Information (PI), or other confidential information solicited shall not be maintained, stored or captured and shall not be further disclosed except as expressly provided in the contract.

2.28. Unless specifically required by the contract and unless clear notice is provided to users of the website or social media, the Contractor shall ensure site visitation will not be tracked, disclosed or used for website or social media analytics or marketing.

3. Additional Scope of Services for Pregnant and Postpartum Women

3.1. The Contractor shall provide trauma-informed MAT services and supports to pregnant and postpartum women up to twelve (12) months postpartum through their Women's and Children Services which includes, but is not limited to:

3.1.1. A Maternity Center.

3.1.2. Childbirth and Parent Education Programs.

3.2. The Contractor shall provide training regarding Screening, Brief Intervention, and Referral to Treatment (SBIRT) to practitioners in order to facilitate early recognition and detection of OUD and other Substance Use Disorders in pregnant women.

3.3. The Contractor shall provide waiver training programs to providers at no cost in order to increase the number of MAT waivered providers in Women's and Children's Services as well as throughout the primary care practices affiliated with the Contractor.

3.4. The Contractor shall ensure patient-centered, effective, integrated care and attention to overdose prevention by using tools that include, but are not limited to care guidelines for Obstetric and Gynecologic (OB/GYN) providers and delivery hospitals developed by the Northern New England Perinatal Quality Improvement Network (NNEPQIN), when applicable.

3.5. The Contractor shall provide care coordination services for all pregnant and postpartum women with OUD to support retention in and completion of OUD treatment programs.

3.6. The Contractor shall ensure ongoing communication and care coordination with entities involved in the patient's care including, but not limited to child protective services, treatment providers, and home visiting services, when applicable.

3.7. The Contractor shall ensure that treatment is provided in a child-friendly environment with RSS available to participants including, but not limited to childcare.

3.8. The Contractor shall employ integrated programs which allow children to stay with their mothers. Nothing in this Section 3 is intended to limit or interfere with any

applicable mandatory reporting obligation imposed upon the Contractor or its staff under state law.

3.9. The Contractor shall participate in the development of an infant Plan of Safe Care (POSC) with birth attendants, the infant's parents or guardians, and the Department for each infant affected by illicit substance use, withdrawal symptoms, or a Fetal Alcohol Spectrum Disorder in order to:

3.9.1. Ensure the safety and well-being of the infant.

3.9.2. Address the health and opioid use treatment needs of the infant and affected family members or caregivers.

3.9.3. Ensure that appropriate referrals are made.

3.9.4. Ensure services are delivered to the infant and affected family members or caregivers.

3.10. The Contractor shall ensure consistent communication with DCYF for families involved with the agency through the use of training including, but not limited to:

3.10.1. All-staff training regarding sharing information with DCYF through the Contractor's brown bag lunch series.

3.10.2. DCYF-representative additional training through the Contractor's brown bag lunch series.

3.10.3. All-staff attendance in a one-day training in January 2019 to understand the SB549 legislation and how the Contractor is complying with it.

3.11. The Contractor shall provide parenting supports to patients through the use of "Clinical Guidance for Teaching Pregnant and Parenting Women with Opioid Use Disorder and Their Infants" established by SAMHSA which includes, but is not limited to:

3.11.1. Parenting groups.

3.11.2. Childbirth education.

3.11.3. Safe sleep education.

3.11.4. Well child education.

3.12. The Contractor shall provide trauma-informed MAT services and supports to pregnant and postpartum women.

4. Staffing

4.1. The Contractor shall meet the minimum MAT team staffing requirements which includes, but is not limited to, a minimum of:

4.1.1. One (1) waivered prescriber.

4.1.2. One (1) Masters Licensed Alcohol and Drug Counselor (MLADC); or master licensed behavioral health provider with addiction training.

4.1.3. One (1) non-clinical/administrative staff.

4.1.4. Two (2) MAT Nurse Care Coordinators.

4.2. The Contractor shall ensure that all unlicensed staff providing treatment, education, and/or RSS:

4.2.1. Are under the direct supervision of a licensed supervisor.

4.2.2. Receive confidentiality training pursuant to vendor policies and procedures in compliance of NH State administrative rule, and state and federal laws.

4.3. The Contractor shall ensure that no licensed supervisor supervises more than twelve (12) unlicensed staff, unless the Department has approved an alternative supervision plan.

4.4. The Contractor shall ensure that unlicensed staff providing clinical or recovery support services hold a CRSW within twelve (12) months of hire or from the effective date of this contract, whichever is later.

5. Training

5.1. The Contractor shall ensure the availability of initial and on-going training resources to all staff to include buprenorphine waiver training for interested physicians, nurse practitioners, and physician assistants.

5.2. The Contractor shall develop a plan, for Department approval, to train and engage appropriate staff regarding buprenorphine waiver training including, but not limited to:

5.2.1. Providing a training stipend to encourage physicians to become a waivered prescriber.

5.2.2. Providing eight (8) hours of required training.

5.3. The Contractor shall participate in training and technical assistance activities as directed by the Department including, but not limited to the Community of Practice for MAT which may include, but is not limited to:

5.3.1. Project-specific trainings, including trainings on coordinating client referrals for collection of data through the Government Performance and Results Modernization Act of 2010 (GPRA).

5.3.2. Quarterly web-based discussions.

5.3.3. On-site technical assistance visits.

5.3.4. Ad hoc communication with expert consultants regarding MAT clinical care topics including, but not limited to:

5.3.4.1. HCV and HIV prevention.

5.3.4.2. Diversion risk mitigation.

5.3.4.3. Other relevant issues.

5.4. The Contractor shall train staff as appropriate on relevant topics including, but not limited to:

5.4.1. MAT (e.g. prescriber training for buprenorphine).

5.4.2. Care coordination.

5.4.3. Trauma-informed wrap around care/RSS delivery best practices.

5.4.4. Evidence-Based Practices (EBPs) such as Screening, Brief Intervention, and Referral to Treatment (SBIRT), Cognitive Behavioral Therapy (CBT), and other training needs.

5.4.5. Safeguarding protected health information (PHI), substance use disorder treatment information (SUD) and any individually identifiable patient information.

5.5. The Contractor shall create policies and procedures, and provide training to the MAT Team to ensure transfer of information is accomplished according to acceptable practices.

6. Reporting and Deliverable Requirements

6.1. The Contractor shall ensure their MAT Nurse Care Coordinators coordinate the sharing of client data and service needs with the Hub(s) to ensure that each patient served has a GPRA interview completed at intake, three (3) months, six (6) months, and discharge.

6.2. The Contractor shall gather and submit de-identified, aggregate patient data to the Department quarterly using a Department-approved method. The data collected will include, but not be limited to:

6.2.1. Diagnoses.

6.2.2. Demographic characteristics.

6.2.3. Substance use.

6.2.4. Services received.

6.2.5. Types of MAT received.

6.2.6. Length of stay in treatment.

6.2.7. Employment status.

6.2.8. Criminal justice involvement.

6.2.9. Housing.

6.3. The Contractor shall report quarterly on federally required data points specific to this funding opportunity as identified by SAMHSA.

6.4. The Contractor shall provide a final report with de-identified, aggregate data to the Department within thirty (30) days of the termination of the contract regarding work plan progress including, but not limited to:

6.4.1. Policies and practices established.

6.4.2. Outreach activities.

6.4.3. Demographics (gender, age, race, ethnicity) of population served.

6.4.4. Outcome data (as directed by the Department).

6.4.5. Patient satisfaction findings.

6.4.6. Description of challenges encountered and action taken.

6.4.7. Other progress to date.

6.4.8. A sustainability plan to continue to provide MAT services to the target population(s) beyond the completion date of the contract, subject to approval by the Department.

7. Performance Measures

7.1. The Contractor shall ensure that 50% of individuals with OUD referred to the Contractor for MAT services receive at least three (3) clinically-appropriate, MAT-related services including, but not limited to:

7.1.1. Care Coordinator.

7.1.2. SBIRT.

7.1.3. Behavioral Health Evaluation.

7.1.4. Referral to ASAM-identified appropriate level of care.

7.1.5. Continued coordination with the treatment program.

7.2. The Contractor shall ensure that 100% of patients seeking services under this proposed contract that enter care directly through the Contractor who consent to information sharing with the Hub(s) receive a Hub referral for ongoing care coordination through the use of a primary team of the Nurse Care Coordinator and the MLADC.

7.3. The Contractor shall ensure that 100% of patients referred to them by Hub(s) have proper consents in place for transfer of information for the purposes of data collection between the Hub(s) and the Contractor.

1. General

1.1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

1.2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded Contractor's current and/or future funding.

1.3. This contract is funded with funds from the US Department of Health and Human Services, Substance Abuse and Mental Health Administration, Catalog of Federal Domestic Assistance (CFDA #) 93.788.

1.4. The Contractor shall keep detailed records of their activities related to Department-funded programs and services.

1.5. Payment for said services shall be made monthly as follows:

1.5.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item.

1.5.2. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment.

1.5.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

1.5.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

1.5.5. In lieu of hard copies, all invoices shall be assigned an electronic signature and emailed to Abby.Shockley@dhhs.nh.gov.

1.5.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.

1.6. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining further approval from the Governor and Executive Council.

1.7. The Contractor shall provide a final budget for State Fiscal Year 2021 no later than March 31, 2020 for Department approval, which shall be submitted for Governor and Executive Council approval no later than June 30, 2020.

2. State Opioid Response (SOR) Grant Standards

2.1. In order to receive payments for services provided through SOR grant funded initiatives, the Contractor shall establish formal information sharing and referral agreements with all Hubs that comply with all applicable confidentiality laws, including 42 CFR Part 2.

2.2. In order to receive payment for any invoices submitted to the Department for services provided through SOR grant funded initiatives, the Contractor shall complete patient referrals to applicable Hubs for substance use disorder services within two (2) business days of a client's admission to the program. The Department shall verify patient referrals through audits of Contractor invoices.

2.3. The Contractor shall ensure that only FDA-approved MAT for OUD is utilized. FDA-approved MAT for OUD includes:

2.3.1. Methadone.

2.3.2. Buprenorphine products, including:

2.3.2.1. Single-entity buprenorphine products.

2.3.2.2. Buprenorphine/naloxone tablets,

2.3.2.3. Buprenorphine/naloxone films.

2.3.2.4. Buprenorphine/naloxone buccal preparations.

2.3.2.5. Long-acting injectable buprenorphine products.

2.3.2.6. Buprenorphine implants.

2.3.2.7. Injectable extended-release naltrexone.

2.4. The Contractor shall only provide medical withdrawal management services to any individual supported by SOR Grant Funds if the withdrawal management service is accompanied by the use of injectable extended-release naltrexone, as clinically appropriate.

2.5. The Contractor shall provide the Department with timelines and implementation plans associated with SOR funded activities to ensure services are in place within thirty (30) days of the contract effective date.

2.5.1. If the Contractor is unable to offer services within the required timeframe, the Contractor shall submit an updated implementation plan to the Department for approval to outline anticipated service start dates.

2.5.2. The Department reserves the right to terminate the contract and liquidate unspent funds if services are not in place within ninety (90) days of the contract effective date.

2.6. The Contractor shall ensure that patients receiving financial aid for recovery housing utilizing SOR funds shall only be in a recovery housing facility that is aligned with the National Alliance for Recovery Residences standards and registered with the State of New Hampshire, Bureau of Drug and Alcohol Services in accordance with current NH Administrative Rules.

2.7. The Contractor shall assist patients with enrolling in public or private health insurance, if the client is determined eligible for such coverage.

2.8. The Contractor shall accept patients for MAT and facilitate access to MAT on-site or through referral for all clients supported with SOR Grant funds, as clinically appropriate.

2.9. The Contractor shall coordinate with the NH Ryan White HIV/AIDs program for patients identified as at risk of or with HIV/AIDS.

2.10. The Contractor shall ensure that all patients are regularly screened for tobacco use, treatment needs and referral to the QuitLine as part of treatment planning.

New Hampshire Department of Health and Human Services

Contractor Name: Elliot Hospital

Budget Request for: Medication Assisted Treatment (RFP-2019-BDAS-05-MEDIC)

Budget Period: SFY 19 (Upon G&C approval - 6/30/19)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 251,293	$ 17,140	$ 268,433	$ 171,286	$ 17,140	$ 188,536	$ 79,895	$ -	$ 79,895
2. Employee Benefits	$ 74,456	$ 5,050	$ 79,517	$ 50,499	$ 5,050	$ 55,549	$ 23,958	$ -	$ 23,958
3. Consultants	$ 77,143	$ 2,714	$ 79,857	$ 77,143	$ 2,714	$ 79,857	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ 2,298	$ 229	$ 2,517	$ 2,298	$ 229	$ 2,517	$ -	$ -	$ -
5. Supplies:	$ 1,841	$ 184	$ 2,025	$ 1,841	$ 184	$ 2,025	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ 460	$ 48	$ 508	$ 460	$ 48	$ 508	$ -	$ -	$ -
7. Occupancy	$ 7,732	$ 773	$ 8,505	$ 7,732	$ 773	$ 8,505	$ -	$ -	$ -
8. Current Expenses	$ 920	$ 92	$ 1,012	$ 920	$ 92	$ 1,012	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ 200,000	$ 20,000	$ 220,000	$ 200,000	$ 20,000	$ 220,000	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 1,841	$ 184	$ 2,025	$ 1,841	$ 184	$ 2,025	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Recovery Support Services: transportation/child	$ 11,850	$ -	$ 11,850	$ -	$ -	$ -	$ 11,850	$ -	$ 11,850
14. Waiver Training Stipends	$ 20,000	$ -	$ 20,000	$ -	$ -	$ -	$ 20,000	$ -	$ 20,000
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 699,836	$ 46,412	$ 646,249	$ 442,122	$ 46,412	$ 810,536	$ 135,714	$ -	$ 135,714

Indirect As A Percent of Direct 7.7%

Contractor Initials

Date 11-30-18

New Hampshire Department of Health and Human Services

Contractor Name: Elliot Hospital

Budget Request for: Medication Assisted Treatment (RFP-2019-BDAS-03-MEDIC)

Budget Period: SFY 20 (7/1/19-6/30/20)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 294,727	$ 20,102	$ 314,829	$ 201,022	$ 20,102	$ 221,124	$ 93,705	$ -	$ 93,705
2. Employee Benefits	$ 87,339	$ 5,823	$ 93,281	$ 59,227	$ 5,823	$ 65,150	$ 28,111	$ -	$ 28,111
3. Consultants	$ -	$ -	$ -		$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ 2,159	$ 216	$ 2,375	$ 2,159	$ 216	$ 2,375	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ 540	$ 54	$ 594	$ 540	$ 54	$ 594	$ -	$ -	$ -
7. Occupancy	$ 9,068	$ 907	$ 9,975	$ 9,068	$ 907	$ 9,975	$ -	$ -	$ -
8. Current Expenses	$ 1,080	$ 108	$ 1,188	$ 1,080	$ 108	$ 1,188	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 2,159	$ 216	$ 2,375	$ 2,159	$ 216	$ 2,375	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Recovery Support Services: transportation/child	$ 13,888	$ -	$ 13,888	$ -	$ -	$ -	$ 13,888	$ -	$ 13,888
14. Waiver Training (stipend)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 410,969	$ 27,626	$ 439,496	$ 274,255	$ 27,626	$ 302,761	$ 136,714	$ -	$ 136,714

Indirect As A Percent of Direct 6.7%

Contractor Initials

Date 11.30.18

SPECIAL PROVISIONS

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

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:

   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:

8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.

9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
    11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
    11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
    13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

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

17. **Limited English Proficiency (LEP)**: As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections**: The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, $150,000)

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

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

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

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

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

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

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

19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed

19.5. DHHS shall, at its discretion, review and approve all subcontracts.

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

20. **Contract Definitions:**

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

20.2. DEPARTMENT: NH Department of Health and Human Services.

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

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

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

20.6. SUPPLANTING OTHER FEDERAL FUNDS: Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

Contractor Initials AAB
Date 11-30-18

REVISIONS TO GENERAL PROVISIONS

1. Section 2 of the General Provisions of this contract, Employment of Contractor/Services to be Performed, is replaced as follows:

   2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.

      The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform the work identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

2. Section 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

3. Subsection 7.2 of the General Provisions of this contract, Personnel, is replaced as follows:

   7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement. The hiring of an individual in response to a generalized advertisement for employment shall not constitute a breach of this section.

4. Section 10 of the General Provisions of this contract, Termination, is amended by adding the following language:

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information of

data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor will reasonably cooperate with the other entity to minimize disruption in the delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

5. Subsection 8.2.1 of Section 8 of the General Provisions of this contract, Event of Default/Remedies, is replaced as follows:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (3)) days from the date of the notice; and if the Event of Default is not remedied within the 30 day cure period, then terminate this Agreement, effective (2) days after giving the Contractor notice of termination.

6. Section 11 of the General Provisions of this contract, Contractor's Relation to the State is replaced as follows:

11. CONTRACTOR'S RELATION TO THE STATE.
In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees. Moreover, as an independent contractor, the parties agree that the Contractor is not a state actor.

7. Section 12 of the General Provisions of this contract, Assignment/Delegation/Subcontracts is replaced as follows:

12. ASSIGNMENT/DELGATION/SUBCONTRACTS

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Hospital without the prior written notice and consent of the State, which shall not be unreasonably withheld.

8. Exhibit I, Health Insurance Portability Act Business Associate Agreement, is not applicable to this contract and is deleted in its entirety.

9. Renewal:
The Department and Contractor may agree to extend this Agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

Contractor Initials
Date 11-30-18

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
  1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name:

11-30-18
Date

Name: W Gregory Baxter, MD
Title: Chief Executive Officer

CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name:

11-30-18
Date

Name: W. Gregory Baxter, MD
Title: Chief Executive Officer

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

11-30-18
Date

Name: W. Gregory Baxter, MD
Title: Chief Executive Officer

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

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

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

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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

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

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

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

Contractor Name:

11-30-18
Date

Name: W. Gregory Baxter, MD
Title: Chief Executive Officer

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

11.30.18
Date

Name: W. Gregory Baxter, MD
Title: Chief Executive Officer

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

Pursuant to Exhibit C-1 of this Agreement, Exhibit I is not applicable.

Remainder of page intentionally left blank.

Contractor Initials AMR

Date 11.30.18

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

11-30-18
Date

Name: W. Gregory Baxter, MD
Title: Chief Executive Officer

FORM A

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

1. The DUNS number for your entity is: 131852394

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

   ✓ NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

Contractor Initials _____

Date 11.30.18

State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Medication Assisted Treatment

This 1st Amendment to the Medication Assisted Treatment contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Mary Hitchcock Memorial Hospital (hereinafter referred to as "the Contractor"), a nonprofit organization with a place of business at One Medical Center Drive, Lebanon, NH 03756

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 5, 2018 (Item #22), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

WHEREAS, the parties agree to extend the term of the agreement, 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 B-1, Budget Period: SFY 19 (G&C Approval – 6/30/2019) by reducing the total budget amount by $42,000, which is identified as unspent funding that is being carried forward to fund the activities in this Agreement for SFY 21 (July 1, 2020 through September 29, 2020), as specified in Exhibit B-3 Amendment #1 Budget, with no change to the contract price limitation.

2. Add Exhibit B-3 Amendment #1 Budget, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 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

6-2-2020
Date

Name: Kristie Toppan
Title: Associate Commissioner

Mary Hitchcock Memorial Hospital

DocuSigned by:
Leigh A. Burgess
A830604838EF404...

5/26/2020
Date

Name: Leigh A. Burgess
Title: VP Research Operations

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

OFFICE OF THE ATTORNEY GENERAL

06/09/20
Date

Catherine Pinos
Name:
Title: Catherine Pinos, 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:

New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Contractor name: Mary Hitchcock Memorial Hospital

Budget Request for: Medication Assisted Treatment

Budget Period: July 1, 2020 to September 29, 2020

	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
Line Item	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 24,295.00	$ 7,118.00	$ 31,413.00	$ -	$ -	$ -	$ 24,295.00	$ 7,118.00	$ 31,413.00
2. Employee Benefits	$ 8,168.00	$ 2,399.00	$ 10,587.00	$ -	$ -	$ -	$ 8,168.00	$ 2,399.00	$ 10,587.00
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 32,483.00	$ 9,517.00	$ - 42,000.00	$ -	$ -	$ -	$ 32,483.00	$ 9,517.00	$ 42,000.00

Indirect As A Percent of Direct 29.3%

Contractor Initials: US

Date: 5/26/2020

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: **0004905338**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of May A.D. 2020.

William M. Gardner
Secretary of State

Dartmouth-Hitchcock

DELEGATION OF SIGNATURE AUTHORITY

RESEARCH CONTRACTS AND SPONSORED PROGRAM AGREEMENTS

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

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

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

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

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

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

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

Date: July 23, 2018

Dartmouth-Hitchcock

Susan Reeves, EdD, RN, CENP

Chief Nursing Executive
Dartmouth-Hitchcock Health
Executive Vice President, Research & Education
Dartmouth-Hitchcock

Dartmouth-Hitchcock Medical Center
One Medical Center Drive
Lebanon, NH 03756-0001
Phone (603) 650-5706
Dartmouth-Hitchcock.org

May 13, 2020

Thomas Kaempfer
New Hampshire Department of Justice
33 Capitol Street
Concord, NH 03301

Dear Mr. Kaempfer:

At the request of the State of New Hampshire, I am writing to notify you that, as noted in the attached Delegation of Signing Authority from July 23, 2018, in her role as Vice President of Research Operations, Leigh A. Burgess, MSA, MEd, MA, continues to have authority to sign contracts on behalf of Dartmouth-Hitchcock which have a funding amount not to exceed $3,000,000 and which have a term of less than five (5) years.

Please do not hesitate to reach out should you require further documentation.

Sincerely,

Susan A. Reeves, RN

Susan A. Reeves, EdD, RN, CENP
Chief Nursing Executive
Dartmouth-Hitchcock Health
Executive Vice President, Research & Education
Dartmouth-Hitchcock

CERTIFICATE OF INSURANCE

DATE: 02/18/2020

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

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

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

COVERAGES

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

TYPE OF INSURANCE		POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRATION DATE	LIMITS	
GENERAL LIABILITY		0002019-A	07/01/2019	07/01/2020	EACH OCCURRENCE	$1,000,000
					DAMAGE TO RENTED PREMISES	$100,000
X	CLAIMS MADE				MEDICAL EXPENSES	N/A
					PERSONAL & ADV INJURY	$1,000,000
	OCCURRENCE				GENERAL AGGREGATE	$2,000,000
OTHER					PRODUCTS-COMP/OP AGG	$1,000,000
PROFESSIONAL LIABILITY					EACH CLAIM	
	CLAIMS MADE				ANNUAL AGGREGATE	
	OCCURENCE					
OTHER						

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

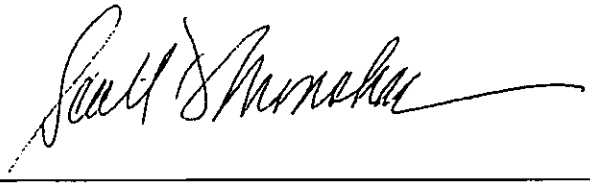
Certificate of Insurance issued as evidence of insurance for services provided as part of the DHHS Injury Prevention Program.

CERTIFICATE HOLDER

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

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

AUTHORIZED REPRESENTATIVES



DARTHIT-01 ASTOBERT

CERTIFICATE OF LIABILITY INSURANCE

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

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

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

PRODUCER License # 1780862 HUB International New England 100 Central Street, Suite 201 Holliston, MA 01746	CONTACT NAME: Rita Durgin PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: rita.durgin@hubinternational.com
INSURED Dartmouth-Hitchcock Health 1 Medical Center Dr. Lebanon, NH 03756	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : Safety National Casualty Corporation — 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 INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						X PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N ☐ N/A			AG4061049	7/1/2019	7/1/2020	E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

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

CERTIFICATE HOLDER

NH DHHS
129 Pleasant Street
Concord, NH 03301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Dartmouth-Hitchcock

Mission, Vision, & Values

Our Mission

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

Our Vision

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

Values

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

Dartmouth-Hitchcock Health and Subsidiaries

Report on Federal Awards in Accordance With the Uniform Guidance
June 30, 2019
EIN #02–0222140

Dartmouth-Hitchcock Health and Subsidiaries
Index
June 30, 2019

Part I

Financial Statements and Schedule of Expenditures of Federal Awards

Report of Independent Auditors

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

Report on the Consolidated Financial Statements

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, 2019 and 2018, and the related consolidated statements of operations and changes in net assets and of cash flows for the years then ended, and the related notes to the financial statements.

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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 consolidated financial position of Dartmouth-Hitchcock Health and its subsidiaries as of June 30, 2019 and 2018, 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 revenue recognition from contracts with customers and the manner in which it presents net assets and reports certain aspects of its financial statements as a not-for-profit entity in 2019. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

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 its 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.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2019 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In

our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2019 on our consideration of the Health System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2019. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Health System's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

Boston, Massachusetts
November 26, 2019

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Balance Sheets
June 30, 2019 and 2018

(in thousands of dollars)	2019	2018
Assets		
Current assets		
Cash and cash equivalents	$ 143,587	$ 200,169
Patient accounts receivable, net of estimated uncollectible of $132,228 at June 30, 2018 (Note 4)	221,125	219,228
Prepaid expenses and other current assets	95,495	97,502
Total current assets	460,207	516,899
Assets limited as to use (Notes 5 and 7)	876,249	706,124
Other investments for restricted activities (Notes 5 and 7)	134,119	130,896
Property, plant, and equipment, net (Note 6)	621,256	607,321
Other assets	124,471	108,785
Total assets	$ 2,216,302	$ 2,070,025
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt (Note 10)	$ 10,914	$ 3,464
Current portion of liability for pension and other postretirement plan benefits (Note 11)	3,468	3,311
Accounts payable and accrued expenses (Note 13)	113,817	95,753
Accrued compensation and related benefits	128,408	125,576
Estimated third-party settlements (Note 4)	41,570	41,141
Total current liabilities	298,177	269,245
Long-term debt, excluding current portion (Note 10)	752,180	752,975
Insurance deposits and related liabilities (Note 12)	58,407	55,516
Liability for pension and other postretirement plan benefits, excluding current portion (Note 11)	281,009	242,227
Other liabilities	124,136	88,127
Total liabilities	1,513,909	1,408,090
Commitments and contingencies (Notes 4, 6, 7, 10, and 13)		
Net assets		
Net assets without donor restrictions (Note 9)	559,933	524,102
Net assets with donor restrictions (Notes 8 and 9)	142,460	137,833
Total net assets	702,393	661,935
Total liabilities and net assets	$ 2,216,302	$ 2,070,025

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, 2019 and 2018

(in thousands of dollars)	2019	2018
Operating revenue and other support		
Patient service revenue	$ 1,999,323	$ 1,899,095
Provision for bad debts (Notes 2 and 4)	-	47,367
Net patient service revenue	1,999,323	1,851,728
Contracted revenue (Note 2)	75,017	54,969
Other operating revenue (Notes 2 and 5)	210,698	148,946
Net assets released from restrictions	14,105	13,461
Total operating revenue and other support	2,299,143	2,069,104
Operating expenses		
Salaries	1,062,551	989,263
Employee benefits	251,591	229,683
Medical supplies and medications	407,875	340,031
Purchased services and other	323,435	291,372
Medicaid enhancement tax (Note 4)	70,061	67,692
Depreciation and amortization	88,414	84,778
Interest (Note 10)	25,514	18,822
Total operating expenses	2,229,441	2,021,641
Operating income (loss)	69,702	47,463
Nonoperating gains (losses)		
Investment income, net (Note 5)	40,052	40,387
Other losses, net (Note 10)	(3,562)	(2,908)
Loss on early extinguishment of debt	(87)	(14,214)
Loss due to swap termination	-	(14,247)
Total nonoperating gains, net	36,403	9,018
Excess of revenue over expenses	$ 106,105	$ 56,481

Dartmouth-Hitchcock Health and Subsidiaries
Consolidated Statements of Operations and Changes in Net Assets
Years Ended June 30, 2019 and 2018

(in thousands of dollars)	2019	2018
Net assets without donor restrictions		
Excess of revenue over expenses	$ 106,105	$ 56,481
Net assets released from restrictions	1,769	16,313
Change in funded status of pension and other postretirement benefits (Note 11)	(72,043)	8,254
Other changes in net assets	-	(185)
Change in fair value of interest rate swaps (Note 10)	-	4,190
Change in interest rate swap effectiveness	-	14,102
Increase in net assets without donor restrictions	35,831	99,155
Net assets with donor restrictions		
Gifts, bequests, sponsored activities	17,436	14,171
Investment income, net	2,682	4,354
Net assets released from restrictions	(15,874)	(29,774)
Contribution of assets with donor restrictions from acquisition	383	-
Increase (decrease) in net assets with donor restrictions	4,627	(11,249)
Change in net assets	40,458	87,906
Net assets		
Beginning of year	661,935	574,029
End of year	$ 702,393	$ 661,935

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, 2019 and 2018

(in thousands of dollars)	2019	2018
Cash flows from operating activities		
Change in net assets	$ 40,458	$ 87,906
Adjustments to reconcile change in net assets to net cash provided by operating and nonoperating activities		
Change in fair value of interest rate swaps	-	(4,897)
Provision for bad debt	-	47,367
Depreciation and amortization	88,770	84,947
Change in funded status of pension and other postretirement benefits	72,043	(8,254)
(Gain) on disposal of fixed assets	(1,101)	(125)
Net realized gains and change in net unrealized gains on investments	(31,397)	(45,701)
Restricted contributions and investment earnings	(2,292)	(5,460)
Proceeds from sales of securities	1,167	1,531
Loss from debt defeasance	-	14,214
Changes in assets and liabilities		
Patient accounts receivable, net	(1,803)	(29,335)
Prepaid expenses and other current assets	2,149	(8,299)
Other assets, net	(9,052)	(11,665)
Accounts payable and accrued expenses	17,898	19,693
Accrued compensation and related benefits	2,335	10,665
Estimated third-party settlements	429	13,708
Insurance deposits and related liabilities	2,378	4,556
Liability for pension and other postretirement benefits	(33,104)	(32,399)
Other liabilities	12,267	(2,421)
Net cash provided by operating and nonoperating activities	161,145	136,031
Cash flows from investing activities		
Purchase of property, plant, and equipment	(82,279)	(77,598)
Proceeds from sale of property, plant, and equipment	2,188	-
Purchases of investments	(361,407)	(279,407)
Proceeds from maturities and sales of investments	219,996	273,409
Cash received through acquisition	4,863	-
Net cash used in investing activities	(216,639)	(83,596)
Cash flows from financing activities		
Proceeds from line of credit	30,000	50,000
Payments on line of credit	(30,000)	(50,000)
Repayment of long-term debt	(29,490)	(413,104)
Proceeds from issuance of debt	26,338	507,791
Repayment of interest rate swap	-	(16,019)
Payment of debt issuance costs	(228)	(4,892)
Restricted contributions and investment earnings	2,292	5,460
Net cash (used in) provided by financing activities	(1,088)	79,236
(Decrease) increase in cash and cash equivalents	(56,582)	131,671
Cash and cash equivalents		
Beginning of year	200,169	68,498
End of year	$ 143,587	$ 200,169
Supplemental cash flow information		
Interest paid	$ 23,977	$ 18,029
Net assets acquired as part of acquisition, net of cash aquired	(4,863)	-
Noncash proceeds from issuance of debt	-	137,281
Use of noncash proceeds to refinance debt	-	137,281
Construction in progress included in accounts payable and accrued expenses	1,546	1,569
Equipment acquired through issuance of capital lease obligations	-	17,670
Donated securities	1,167	1,531

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

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, effective July 1, 2018, 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 of VT and NH are VT not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the IRC.

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

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

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 2018 was approximately $139,683,000. The 2019 Community Benefits Reports are expected to be filed in February 2020.

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, 2018:

(in thousands of dollars)

Government-sponsored healthcare services	$	246,064
Health professional education		33,067
Charity care		13,243
Subsidized health services		11,993
Community health services		6,570
Research		5,969
Community building activities		2,540
Financial contributions		2,360
Community benefit operations		1,153
Total community benefit value	$	322,959

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.

Excess of Revenue Over Expenses

The consolidated statements of operations and changes in net assets include the excess of revenue over expenses. Operating revenues consist of those items attributable to the care of patients, including contributions and investment income on 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, loss due to swap termination, realized gains/losses on sales of investment securities and changes in unrealized gains/losses in investments are reported as nonoperating gains (losses).

Changes in net assets without donor restrictions which are excluded from the excess of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets), change in funded status of pension and other postretirement benefit plans, and the effective portion of the change in fair value of interest rate swaps.

Charity Care

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.

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 joint operating agreements, grant revenue, cafeteria sales and other support service revenue.

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

Investments and Investment Income
Investments in equity securities with readily determinable fair values, mutual funds and pooled/commingled funds, and all investments in debt securities are considered to be trading securities reported at fair value with changes in fair value included in the excess of revenues over expenses. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (Note 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 excess of revenues over expenses. All investments, whether held at fair value or under the equity method of accounting, are reported at what the Health System believes to be the amount they would expect to receive if it liquidated its investments at the balance sheet dates on a nondistressed basis.

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 excess of revenue over expenses and classified as nonoperating 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 amount of patient accounts receivable, prepaid and other current assets, accounts payable and accrued expenses approximates fair value due to the short maturity of these instruments.

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

period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

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 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 $10,524,000 and $2,462,000 as intangible assets associated with its affiliations as of June 30, 2019 and 2018, respectively.

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

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

effective in offsetting changes in variability of cash flows of hedged items. Changes in the fair value of a derivative that is highly effective and that is designated and qualifies as a cash-flow hedge are recorded in net assets without donor restrictions until earnings are affected by the variability in cash flows of the designated hedged item. The ineffective portion of the change in fair value of a cash flow hedge is reported in excess of revenue over expenses in the consolidated statements of operations and changes in net assets.

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

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

Gifts

Gifts without donor restrictions are recorded net of related expenses as nonoperating 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.

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09 - *Revenue from Contracts with Customers (ASC 606)* and in August 2015, the FASB amended the guidance to defer the effective date of this standard by one year. ASU 2014-09 affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Health System adopted ASU 2014-09 effective July 1, 2018 under the modified retrospective method, and has provided the new disclosures required post implementation. For example, patient accounts receivable are shown net of the allowance for doubtful accounts of approximately $132,228,000 as of June 30, 2018 on the consolidated balance sheet. If an allowance for doubtful accounts had been presented as of June 30, 2019, it would have been approximately $121,544,000. While the adoption of ASU 2014-09 has had a material effect on the presentation of revenues in the Health System's consolidated statements of operations and changes in net assets, and has had an impact on certain disclosures, it has not materially impacted the financial position, results of operations or cash flows. Refer to Note 4, Patient Service Revenue and Accounts Receivable, for further details.

In February 2016, the FASB issued ASU 2016-02 – *Leases (Topic 842)*, which requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, on its balance sheet. The standard also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, on a generally straight-line basis. The guidance also expands the required quantitative and qualitative disclosures surrounding leases. The ASU is effective for fiscal years beginning after December 15, 2018, or fiscal year 2020 for the Health System. The Health System is evaluating the impact of the new guidance on the consolidated financial statements.

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

In August 2016, the FASB issued ASU 2016-14 - *Presentation of Financial Statements for Not-for-Profit Entities*. The new pronouncement amends certain financial reporting requirements for not-for-profit entities. It reduces the number of classes of net assets from three to two: net assets with donor restrictions includes amount previously disclosed as both temporarily and permanently restricted net assets, net assets without donor restrictions includes amounts previously disclosed as unrestricted net assets. It expands the disclosure of expenses by both natural and functional classification. It adds quantitative and qualitative disclosures about liquidity and availability of resources. The ASU is effective for the Health System for the year ending June 30, 2019. The Health System has adopted this ASU on a retrospective basis, except for the presentation of expenses based on natural and functional classification and the discussion of liquidity, as permitted in the ASU. Please refer to Note 14, Functional Expenses, and Note 15, Liquidity.

In June 2018, the FASB issued ASU 2018-08, Not–for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The new pronouncement was intended to assist entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and whether a contribution is conditional. This ASU was effective for the Health System on July 1, 2018 on a modified prospective basis and did not have a significant impact on the consolidated financial statements of the Health System.

3. Acquisitions

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. LifeCare's financial position, results of operations and changes in net assets are included in the consolidated financial statements as of and for the year ended June 30, 2019.

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.

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. 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.

During fiscal year 2016, Vermont state legislation passed changes to the tax base for home health providers from 19.30% of core home health care services (primarily Medicaid services) with a cap of 6% of net patient service revenue to 3.63% of net patient revenue for fiscal year 2017 and fiscal year 2018. Home health provider tax paid, which is included in other operating expenses, was $628,000 and $737,000 in 2019 and 2018, respectively.

On June 30, 2014, the NH Governor signed into law a bi-partisan legislation reflecting an agreement between the State of NH and 25 NH hospitals on the Medicaid Enhancement Tax (MET) Senate Bill 369. As part of the agreement, the parties have agreed to resolve all pending litigation related to MET and Medicaid Rates, including the Catholic Medical Center Litigation, the Northeast Rehabilitation Litigation, 2014 DRA Refund Requests, and the State Rate Litigation. As part of the MET Agreement Effective July 1, 2014, a "Trust / Lock Box" dedicated funding mechanism will be established for receipt and distribution of all MET proceeds with all monies used exclusively to support Medicaid services.

On May 22, 2018, the State of New Hampshire and all New Hampshire hospitals (NH Hospitals) signed a new settlement agreement and multi-year plan for Disproportionate Share Hospital (DSH) payments, with provisions to create alternative payments should there be federal changes to the DSH program by the United States Congress. The agreement may change or limit federal matching funds for MET when used to support DSH payments to hospitals and the Medicaid program, or change the definition of Uncompensated Care (UCC) for purposes of calculating DSH or other allowable uncompensated care payments. The term of the agreement is through state fiscal year (SFY) 2024. Under the agreement, the NH Hospitals forgo approximately $28,000,000 of DSH payment for SFY 2018 and 2019, in consideration of the State agreeing to form a pool of funds to make directed payments or otherwise increase rates to hospitals for SFY 2020 through 2024. The Federal share of payments to NH Hospitals are contingent upon the receipt of matching funds from Centers for Medicare & Medicaid Services (CMS) in the covered years. In the event that, due to changes in federal law, the State is unable to make payments in a way that ensures the federal matching funds are available, the Parties will meet and confer to negotiate in good faith an appropriate amendment to this agreement consistent with the intent of this agreement. The State is required to maintain the UCC Dedicated Fund pursuant to earlier agreements. The agreement prioritizes payments of funds to critical access hospitals at 75% of allowable UCC, the remainder thereafter is distributed to other NH Hospitals in proportion to their allowable uncompensated care amounts. During the term of this agreement, the NH Hospitals are barred from bringing a new claim in federal or state court or at Department of Revenue Administration (DRA) related to the constitutionality of MET.

During the years ended June 30, 2019 and 2018, the Health System received DSH payments of approximately, $69,179,000 and $66,383,000, respectively. DSH payments are subject to audit pursuant to the agreement with the state and therefore, for the years ended June 30, 2019 and 2018, the Health System recognized as revenue DSH receipts of approximately $64,864,000 and approximately $54,469,000, respectively.

During the years ended June 30, 2019 and 2018, the Health System recorded State of NH Medicaid Enhancement Tax ("MET") and State of VT Provider tax of $70,061,000 and $67,692,000, respectively. The taxes are calculated at 5.5% for NH and 6% for VT of certain net patient service revenues in accordance with instructions received from the States. 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 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 service 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, 2019 and 2018, the Health System had $52,470,000 and $52,041,000, respectively, reserved for estimated third-party settlements.

For the years ended June 30, 2019 and 2018, additional increases (decreases) in revenue of $1,800,000 and ($5,604,000), respectively, was recognized due to changes in its prior years related to estimated third-party settlements.

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.

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, 2019 and 2018.

	2019		
(in thousands of dollars)	**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
	1,346,382	152,281	1,498,663
Professional			
Professional	454,425	23,707	478,132
VNH			22,528
Other revenue			285,715
Total operating revenue and other support	$ 1,800,807	$ 175,988	$ 2,285,038

	2018		
(in thousands of dollars)	**PPS**	**CAH**	**Total**
Hospital			
Medicare	$ 432,251	$ 76,522	$ 508,773
Medicaid	117,019	10,017	127,036
Commercial	677,162	65,916	743,078
Self pay	10,687	2,127	12,814
	1,237,119	154,582	1,391,701
Professional			
Professional	412,605	24,703	437,308
VNH			22,719
Other revenue			203,915
Total operating revenue and other support	$ 1,649,724	$ 179,285	$ 2,055,643

Accounts Receivable

The principal components of patient accounts receivable as of June 30, 2019 and 2018 are as follows:

(in thousands of dollars)	2019	2018
Patient accounts recivable	$ 221,125	$ 351,456
Less: Allowance for doubtful accounts	-	(132,228)
Patient accounts receivable	$ 221,125	$ 219,228

The following table categorizes payors into four groups based on their respective percentages of gross patient accounts receivable as of June 30, 2019 and 2018:

	2019	2018
Medicare	34 %	34 %
Medicaid	12	14
Commercial	41	40
Self pay	13	12
Patient accounts receivable	100 %	100 %

5. Investments

The composition of investments at June 30, 2019 and 2018 is set forth in the following table:

(in thousands of dollars)	2019	2018
Assets limited as to use		
Internally designated by board		
Cash and short-term investments	$ 21,890	$ 8,558
U.S. government securities	91,492	50,484
Domestic corporate debt securities	196,132	109,240
Global debt securities	83,580	110,944
Domestic equities	167,384	142,796
International equities	128,909	106,668
Emerging markets equities	23,086	23,562
Real estate investment trust	213	816
Private equity funds	64,563	50,415
Hedge funds	32,287	32,831
	809,536	636,314
Investments held by captive insurance companies (Note 12)		
U.S. government securities	23,241	30,581
Domestic corporate debt securities	11,378	16,764
Global debt securities	10,080	4,513
Domestic equities	14,617	8,109
International equities	6,766	7,971
	66,082	67,938
Held by trustee under indenture agreement (Note 10)		
Cash and short-term investments	631	1,872
Total assets limited as to use	876,249	706,124
Other investments for restricted activities		
Cash and short-term investments	6,113	4,952
U.S. government securities	32,479	28,220
Domestic corporate debt securities	29,089	29,031
Global debt securities	11,263	14,641
Domestic equities	20,981	20,509
International equities	15,531	17,521
Emerging markets equities	2,578	2,155
Real estate investment trust	-	954
Private equity funds	7,638	4,878
Hedge funds	8,414	8,004
Other	33	31
Total other investments for restricted activities	134,119	130,896
Total investments	$ 1,010,368	$ 837,020

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 nondistressed basis.

The following tables summarize the investments by the accounting method utilized, as of June 30, 2019 and 2018. Accounting standards require disclosure of additional information for those securities accounted for using the fair value method, as shown in Note 7.

	2019		
(in thousands of dollars)	**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

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

Investment income is comprised of the following for the years ended June 30, 2019 and 2018:

(in thousands of dollars)	2019	2018
Net assets without donor restrictions		
Interest and dividend income, net	$ 11,333	$ 12,324
Net realized gains on sales of securities	17,419	24,411
Change in net unrealized gains on investments	12,283	4,612
	41,035	41,347
Net assets with donor restrictions		
Interest and dividend income, net	987	1,526
Net realized gains on sales of securities	2,603	1,438
Change in net unrealized gains on investments	(908)	1,390
	2,682	4,354
	$ 43,717	$ 45,701

For the years ended June 30, 2019 and 2018 investment income is reflected in the accompanying consolidated statements of operations and changes in net assets as operating revenue of approximately $983,000 and $960,000 and as nonoperating gains of approximately $40,052,000 and $40,387,000, 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, 2019 and 2018, the Health System has committed to contribute approximately $164,319,000 and $137,219,000 to such funds, of which the Health System has contributed approximately $109,584,000 and $91,942,000 and has outstanding commitments of $54,735,000 and $45,277,000, respectively.

6. Property, Plant, and Equipment

Property, plant, and equipment are summarized as follows at June 30, 2019 and 2018:

(in thousands of dollars)	2019	2018
Land	$ 38,232	$ 38,058
Land improvements	42,607	42,295
Buildings and improvements	898,050	876,537
Equipment	888,138	818,902
Equipment under capital leases	15,809	20,966
	1,882,836	1,796,758
Less: Accumulated depreciation and amortization	1,276,746	1,200,549
Total depreciable assets, net	606,090	596,209
Construction in progress	15,166	11,112
	$ 621,256	$ 607,321

As of June 30, 2019, construction in progress primarily consists of an addition to the ambulatory surgical center located in Manchester, NH as well as renovations taking place at the various pharmacy locations to bring their facilities compliant with Regulation USP800. The estimated cost to complete the ambulatory surgical center at June 30, 2019 is approximately $59,000,000 over the next two fiscal years while the pharmacy renovation is estimated to cost approximately $6,300,000 over the next fiscal year.

The construction in progress reported as of June 30, 2018 for the building renovations taking place at the birthing pavilion in Lebanon, NH was completed during the first quarter of fiscal year 2019 and the information systems PeopleSoft project for Alice Peck Day Memorial Hospital and Cheshire was completed in the fourth quarter of fiscal year 2019.

Depreciation and amortization expense included in operating and nonoperating activities was approximately $88,496,000 and $84,729,000 for 2019 and 2018, respectively.

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, 2019 and 2018:

	2019					
(in thousands of dollars)	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	488,102	164,849	-	652,951		
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	84,187	-	89	84,276	Not applicable	Not applicable
Beneficial interest in trusts	-	-	9,301	9,301	Not applicable	Not applicable
Total assets	$ 572,289	$ 164,849	$ 9,390	$ 746,528		

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

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

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

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

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, 2019 and 2018.

8. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30, 2019 and 2018:

(in thousands of dollars)	2019	2018
Healthcare services	$ 20,140	$ 19,570
Research	26,496	24,732
Purchase of equipment	3,273	3,068
Charity care	12,494	13,667
Health education	19,833	18,429
Other	3,841	2,973
Investments held in perpetuity	56,383	55,394
	$ 142,460	$ 137,833

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

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 and the income from certain donor-restricted endowment funds, and any accumulated investment return thereon, which pursuant to donor intent may be expended based on trustee or management designation. 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, 2019 and 2018.

Endowment net asset composition by type of fund consists of the following at June 30, 2019 and 2018:

	2019		
(in thousands of dollars)	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

	2018		
(in thousands of dollars)	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 78,197	$ 78,197
Board-designated endowment funds	29,506	-	29,506
Total endowed net assets	$ 29,506	$ 78,197	$ 107,703

Changes in endowment net assets for the years ended June 30, 2019 and 2018 are as follows:

	2019		
(in thousands of dollars)	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

	2018		
(in thousands of dollars)	Without Donor Restrictions	With Donor Restrictions	Total
Balances at beginning of year	$ 26,389	$ 75,457	$ 101,846
Net investment return	3,112	4,246	7,358
Contributions	-	1,121	1,121
Transfers	5	(35)	(30)
Release of appropriated funds	-	(2,592)	(2,592)
Balances at end of year	$ 29,506	$ 78,197	$ 107,703

10. Long-Term Debt

A summary of long-term debt at June 30, 2019 and 2018 is as follows:

(in thousands of dollars)	2019	2018
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 2017A, principal maturing in varying annual amounts, through August 2040 (2)	122,435	122,435
Series 2017B, principal maturing in varying annual amounts, through August 2031 (2)	109,800	109,800
Series 2014A, principal maturing in varying annual amounts, through August 2022 (3)	26,960	26,960
Series 2018C, principal maturing in varying annual amounts, through August 2030 (4)	25,865	-
Series 2012, principal maturing in varying annual amounts, through July 2039 (5)	25,145	25,955
Series 2014B, principal maturing in varying annual amounts, through August 2033 (3)	14,530	14,530
Series 2016B, principal maturing in varying annual amounts, through August 2045 (6)	10,970	10,970
Total variable and fixed rate debt	$ 722,162	$ 697,107

A summary of long-term debt at June 30, 2019 and 2018 is as follows:

(in thousands of dollars)	2019	2018
Other		
Series 2010, principal maturing in varying annual amounts, through August 2040 (7)*	$ -	$ 15,498
Note payable to a financial institution payable in interest free monthly installments through July 2015; collateralized by associated equipment*	445	646
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*	323	380
Mortgage note payable to the US Dept of Agriculture; monthly payments of $10,892 include interest of 2.375% through November 2046*	2,629	2,697
Obligations under capital leases	17,526	18,965
Total other debt	20,923	38,186
Total variable and fixed rate debt	722,162	697,107
Total long-term debt	743,085	735,293
Less: Original issue discounts and premiums, net	(25,542)	(26,862)
Bond issuance costs, net	5,533	5,716
Current portion	10,914	3,464
	$ 752,180	$ 752,975

* Represents nonobligated group bonds

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

(in thousands of dollars)	
2020	$ 10,914
2021	10,693
2022	10,843
2023	7,980
2024	3,016
Thereafter	699,639
	$ 743,085

Dartmouth-Hitchcock Obligated Group (DHOG) Bonds
MHMH established the DHOG in 1993 for the original purpose of issuing bonds financed through NHHEFA or the "Authority". The members of the obligated group consist of D-HH, MHMH, DHC, Cheshire, NLH, MAHHC, and, effective August 15, 2018, APD. D-HH is designated as the obligated group agent.

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

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

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

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

The DHOG issued NHHEFA Revenue Bonds, Series 2017A and Series 2017B in December, 2017. The Series 2017A Revenue Bonds were primarily used to refund Series 2009 and Series 2010 and the Series 2017B Revenue Bonds were used to refund Series 2012A and Series 2012B. The interest on the Series 2017A Revenue Bonds is fixed with an interest rate of 5.00% and matures in variable amounts through 2040. The interest on the Series 2017B Revenue Bonds is fixed with an interest rate of 2.54% and matures in variable amounts through 2031.

(3) Series 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.

(4) 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.

(5) 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.

(6) 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.

Outstanding joint and several indebtedness of the DHOG at June 30, 2019 and 2018 approximates $722,162,000 and $697,107,000, respectively.

Non Obligated Group Bonds
(1) Series 2010 Revenue Bonds

The Business Finance Authority (BFA) of the State of NH issued Revenue Bonds, Series 2010. Interest is based on an annual percentage rate equal to the sum of (a) 69% of the 1-Month LIBOR rate plus (b) 1.8975/5. The Health System redeemed these bonds in August 2018.

The Health System Indenture agreements require establishment and maintenance of debt service reserves and other trustee held funds. Trustee held funds of approximately $631,000 and $1,872,000 at June 30, 2019 and 2018, respectively, are classified as assets limited as to use in the accompanying consolidated balance sheets (Note 5). The debt service reserves are mainly comprised of escrowed funds held for future principal and interest payments.

For the years ended June 30, 2019 and 2018 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 $25,514,000 and $18,822,000 and other nonoperating losses of $3,784,000 and $2,793,000, respectively.

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

As of June 30, 2019 and 2018, there was no liability for interest rate swaps as all remaining swaps were terminated in February 2018. For the year ended June 30, 2018, the Health System recognized a nonoperating loss due to swap termination of $14,247,000 relating to the swap termination. The change in fair value during the year ended June 30, 2018 was a decrease of $4,897,000. For the year ended June 30, 2018 the Health System recognized a nonoperating gain of $145,000 resulting from hedge ineffectiveness and amortization of frozen swaps.

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, 2019 and 2018:

(in thousands of dollars)	2019	2018
Service cost for benefits earned during the year	$ 150	$ 150
Interest cost on projected benefit obligation	47,814	47,190
Expected return on plan assets	(65,270)	(64,561)
Net loss amortization	10,357	10,593
Total net periodic pension expense	$ (6,949)	$ (6,628)

The following assumptions were used to determine net periodic pension expense as of June 30, 2019 and 2018:

	2019	2018
Discount rate	3.90 % – 4.60%	4.00 % – 4.30 %
Rate of increase in compensation	N/A	N/A
Expected long-term rate of return on plan assets	7.50%	7.50 % – 7.75 %

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, 2019 and 2018:

(in thousands of dollars)	2019	2018
Change in benefit obligation		
Benefit obligation at beginning of year	$ 1,087,940	$ 1,122,615
Service cost	150	150
Interest cost	47,814	47,190
Benefits paid	(51,263)	(47,550)
Expenses paid	(170)	(172)
Actuarial (gain) loss	93,358	(34,293)
Settlements	(42,306)	-
Benefit obligation at end of year	1,135,523	1,087,940
Change in plan assets		
Fair value of plan assets at beginning of year	884,983	878,701
Actual return on plan assets	85,842	33,291
Benefits paid	(51,263)	(47,550)
Expenses paid	(170)	(172)
Employer contributions	20,631	20,713
Settlements	(42,306)	-
Fair value of plan assets at end of year	897,717	884,983
Funded status of the plans	(237,806)	(202,957)
Less: Current portion of liability for pension	(46)	(45)
Long term portion of liability for pension	(237,760)	(202,912)
Liability for pension	$ (237,760)	$ (202,912)

As of June 30, 2019 and 2018 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 $478,394,000 and $418,971,000 of net actuarial loss as of June 30, 2019 and 2018, respectively.

The estimated amounts to be amortized from net assets without donor restrictions into net periodic pension expense in fiscal year 2020 for net actuarial losses is $12,032,000.

The accumulated benefit obligation for the defined benefit pension plans was approximately $1,135,770,000 and $1,087,991,000 at June 30, 2019 and 2018, respectively.

The following table sets forth the assumptions used to determine the benefit obligation at June 30, 2019 and 2018:

	2019	2018
Discount rate	4.20% - 4.50%	4.20 % – 4.50 %
Rate of increase in compensation	N/A	N/A

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, 2019 and 2018, 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	38
Global debt securities	6–26	8
Domestic equities	5–35	19
International equities	5–15	11
Emerging market equities	3–13	5
Real estate investment trust funds	0–5	0
Private equity funds	0–5	0
Hedge funds	5–18	11

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

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

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

The hierarchy and inputs to valuation techniques to measure fair value of the Plans' assets are the same as outlined in Note 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.

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, 2019 and 2018:

	2019					
(in thousands of dollars)	Level 1	Level 2	Level 3	Total	Redemption or Liquidation	Days' Notice
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		

	2018					
(in thousands of dollars)	Level 1	Level 2	Level 3	Total	Redemption or Liquidation	Days' Notice
Investments						
Cash and short-term investments	$ 142	$ 35,817	$ -	$ 35,959	Daily	1
U.S. government securities	46,265	-	-	46,265	Daily–Monthly	1–15
Domestic debt securities	144,131	220,202	-	364,333	Daily–Monthly	1–15
Global debt securities	470	74,676	-	75,146	Daily–Monthly	1–15
Domestic equities	158,634	17,594	-	176,228	Daily–Monthly	1–10
International equities	18,656	80,803	-	99,459	Daily–Monthly	1–11
Emerging market equities	382	39,881	-	40,263	Daily–Monthly	1–17
REIT funds	371	2,686	-	3,057	Daily–Monthly	1–17
Private equity funds	-	-	23	23	See Note 7	See Note 7
Hedge funds	-	-	44,250	44,250	Quarterly–Annual	60–96
Total investments	$ 369,051	$ 471,659	$ 44,273	$ 884,983		

The following table presents additional information about the changes in Level 3 assets measured at fair value for the years ended June 30, 2019 and 2018:

	2019		
(in thousands of dollars)	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	$ 44,126	$ 21	$ 44,147

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

The total aggregate net unrealized gains (losses) included in the fair value of the Level 3 investments as of June 30, 2019 and 2018 were approximately $14,617,000 and $14,743,000, respectively. There were no transfers into and out of Level 3 measurements during the years ended June 30, 2019 and 2018.

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, 2019 and 2018.

The weighted average asset allocation for the Health System's Plans at June 30, 2019 and 2018 by asset category is as follows:

	2019	2018
Cash and short-term investments	2 %	4 %
U.S. government securities	5	5
Domestic debt securities	44	41
Global debt securities	9	9
Domestic equities	20	20
International equities	11	11
Emerging market equities	4	5
Hedge funds	5	5
	100 %	100 %

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

The Health System is expected to contribute approximately $20,426,000 to the Plans in 2020 however actual contributions may vary from expected amounts.

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

(in thousands of dollars)

2020	$ 50,743
2021	52,938
2022	55,199
2023	57,562
2024	59,843
2025 – 2028	326,737

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 $40,537,000 and $38,563,000 in 2019 and 2018, 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 2019 and 2018, 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, 2019 and 2018:

(in thousands of dollars)	2019	2018
Service cost	$ 384	$ 533
Interest cost	1,842	1,712
Net prior service income	(5,974)	(5,974)
Net loss amortization	10	10
	$ (3,738)	$ (3,719)

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, 2019 and 2018:

(in thousands of dollars)	2019	2018
Change in benefit obligation		
Benefit obligation at beginning of year	$ 42,581	$ 42,277
Service cost	384	533
Interest cost	1,842	1,712
Benefits paid	(3,149)	(3,174)
Actuarial loss	5,013	1,233
Employer contributions	-	-
Benefit obligation at end of year	46,671	42,581
Funded status of the plans	$ (46,671)	$ (42,581)
Current portion of liability for postretirement medical and life benefits	$ (3,422)	$ (3,266)
Long term portion of liability for postretirement medical and life benefits	(43,249)	(39,315)
Liability for postretirement medical and life benefits	$ (46,671)	$ (42,581)

As of June 30, 2019 and 2018, 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:

(in thousands of dollars)	2019	2018
Net prior service income	$ (9,556)	$ (15,530)
Net actuarial loss	8,386	3,336
	$ (1,170)	$ (12,194)

The estimated amounts that will be amortized from net assets without donor restrictions into net periodic postretirement income in fiscal year 2020 for net prior service cost is $5,974,000.

The following future benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the year ending June 30, 2020 and thereafter:

(in thousands of dollars)	
2020	$ 3,468
2021	3,436
2022	3,394
2023	3,802
2024	3,811
2025-2028	17,253

In determining the accumulated postretirement medical and life benefit obligation, the Health System used a discount rate of 3.70% in 2019 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, 2019 and 2018 by $1,601,000 and $1,088,000 and the net periodic postretirement medical benefit cost for the years then ended by $77,000 and $81,000, 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, 2019 and 2018 by $1,452,000 and $996,000 and the net periodic postretirement medical benefit cost for the years then ended by $71,000 and $72,000, 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.

Selected financial data of HAC and RRG, taken from the latest available financial statements at June 30, 2019 and 2018, are summarized as follows:

	2019		
(in thousands of dollars)	HAC	RRG	Total
Assets	$ 75,867	$ 2,201	$ 78,068
Shareholders' equity	13,620	50	13,670

	2018		
(in thousands of dollars)	HAC	RRG	Total
Assets	$ 72,753	$ 2,068	$ 74,821
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.

Operating Leases and Other Commitments

The Health System leases certain facilities and equipment under operating leases with varying expiration dates. The Health System's rental expense totaled approximately $12,707,000 and $14,096,000 for the years ended June 30, 2019 and 2018, respectively.

Minimum future lease payments under noncancelable operating leases at June 30, 2019 were as follows:

(in thousands of dollars)

2020	$ 11,342
2021	10,469
2022	7,488
2023	6,303
2024	4,127
Thereafter	5,752
	$ 45,481

Lines of Credit

The Health System has entered into Loan Agreements with financial institutions establishing access to revolving loans ranging from $2,000,000 up to $30,000,000. Interest is variable and determined using LIBOR or the Wall Street Journal Prime Rate. The Loan Agreements are due to expire March 27, 2020. There was no outstanding balance under the lines of credit as of June 30, 2019 and 2018. Interest expense was approximately $95,000 and $232,000, 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.

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

	2019			
(in thousands of dollars)	Program Services	Management and General	Fundraising	Total
Operating expenses				
Salaries	$ 922,902	$ 138,123	$ 1,526	$ 1,062,551
Employee benefits	178,983	72,289	319	251,591
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	$ 1,831,825	$ 393,208	$ 4,408	$ 2,229,441

Operating expenses of the Health System by functional classification are as follows for the year ended June 30, 2018:

(in thousands of dollars)

Program services	$ 1,715,760
Management and general	303,527
Fundraising	2,354
	$ 2,021,641

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, 2019 to meet cash needs for general expenditures within one year of June 30, 2019 are as follows:

(in thousands of dollars)

Cash and cash equivalents	$ 143,587
Patient accounts receivable	221,125
Assets limited as to use	876,249
Other investments for restricted activities	134,119
Total financial assets	1,375,080
Less: Those unavailable for general expenditure within one year:	
Investments held by captive insurance companies	66,082
Investments for restricted activities	134,119
Other investments with liquidity horizons greater than one year	97,063
Total financial assets available within one year	$ 1,077,816

For the years ending June 30, 2019 and June 30, 2018, the Health System generated positive cash flow from operations of approximately $161,853,000 and $136,031,000, 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. Subsequent Events

The Health System has assessed the impact of subsequent events through November 26, 2019, the date the audited consolidated financial statements were issued, and has concluded that there were no such events that require adjustment to the audited consolidated financial statements or disclosure in the notes to the audited consolidated financial statements other than as noted below.

Effective September 30, 2019, the Boards of Trustees of D-HH, GraniteOne Health, Catholic Medical Center Health Services, and their respective member organizations approved a Combination Agreement to combine their healthcare systems. If regulatory approval of the

transaction is obtained, the name of the new system will be Dartmouth-Hitchcock Health GraniteOne.

The GraniteOne Health system is comprised of Catholic Medical Center (CMC), a community hospital located in Manchester NH, Huggins Hospital located in Wolfeboro NH, and Monadnock Community Hospital located in Peterborough NH. Both Huggins Hospital and Monadnock Community Hospital are designated as Critical Access Hospitals. GraniteOne is a non-profit, community based health care system.

On September 13, 2019, the Board of Trustees of D-HH approved the issuance of up to $100,000,000 par of new debt. On October 17, 2019, D-HH closed on the direct placement tax-exempt borrowing of $99,165,000 on behalf of the DHOG acting through the New Hampshire Health and Education Facilities Authority and issued its DHOG Issue, Series 2019A Bonds.

On January 29, 2020, D-HH closed on a tax-exempt borrowing of $125,000,000 on behalf of the DHOG acting through the New Hampshire Health and Education Facilities Authority and issued its DHOG Issue, Series 2020A Bonds.

17. Subsequent Events - Unaudited

Subsequent to the issuance of the audited financial statements on November 26, 2019, the novel strain of coronavirus emerged and in January 2020 the World Health Organization has declared the novel coronavirus a Public Health Emergency of International Concern. Beginning in March 2020, the State of New Hampshire and Vermont have adopted various measures to address the spread of this pandemic, including supporting social distancing, requests to stay home unless necessary (i.e., groceries or medications) and work from home recommendations. Such restrictions and the perception that such orders or restrictions could occur, have resulted in business closures, work stoppages, slowdowns and delays, work-from-home policies, travel restrictions and cancellation of events, including the rescheduling of elective or non-critical procedures (which management believes is temporary and such procedures will be performed at a later date) and redeployment of resources to address the novel coronavirus needs, among other effects. The outbreak has also negatively impacted the financial markets and has and may continue to materially affect the returns on and value of our investments. While we expect that the novel coronavirus may negatively impact our 2020 results, we believe we have sufficient liquidity to meet our operating and financing needs; however, given the difficulty in predicting the ultimate duration and severity of the impact of the novel coronavirus on our organization, the economy and the financial markets, the ultimate impact may be material.

Consolidating Supplemental Information – Unaudited

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	$ 47,465	$ 9,411	$ 7,066	$ 10,462	$ 8,372	$ -	$ 125,232	$ 18,355	$ -	$ 143,587
Patient accounts receivable, net	-	180,938	15,880	7,279	8,960	5,010	-	218,067	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)	460,207
Assets limited as to use	92,602	688,485	18,759	12,684	12,427	11,619	-	836,576	39,673	-	876,249
Notes receivable, related party	553,484	752	-	1,406	-	-	(554,236)	1,406	(1,406)	-	-
Other investments for restricted activities	-	91,882	6,970	31	2,973	6,323	-	108,179	25,940	-	134,119
Property, plant, and equipment, net	22	432,277	67,147	30,945	41,946	17,797	-	590,134	31,122	-	621,256
Other assets	24,864	108,208	1,279	15,019	6,042	4,388	(10,970)	148,830	(3,013)	(21,346)	124,471
Total assets	$ 727,606	$ 1,689,041	$ 128,009	$ 76,831	$ 88,377	$ 54,932	$ (639,289)	$ 2,125,507	$ 115,150	$ (24,355)	$ 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 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	-	126,767	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	17,589	10,229	(74,083)	292,497	8,689	(3,009)	298,177
Notes payable, related party	-	526,202	-	-	28,034	-	(554,236)	-	-	-	-
Long-term debt, excluding current portion	643,257	44,820	24,503	35,604	643	11,465	(10,970)	749,322	2,858	-	752,180
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	28,832	356,880	63,051	27,653	35,518	21,242	-	533,176	48,063	(21,306)	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	28,850	447,983	69,296	28,449	40,138	28,678	-	643,394	80,345	(21,346)	702,393
Total liabilities and net assets	$ 727,606	$ 1,689,041	$ 128,009	$ 76,831	$ 88,377	$ 54,932	$ (639,289)	$ 2,125,507	$ 115,150	$ (24,355)	$ 2,216,302

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

(in thousands of dollars)	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	$ 42,456	$ 48,052	$ 11,952	$ 11,120	$ 8,549	$ 15,772	$ 5,686	$ -	$ 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
Other assets	24,864	108,366	7,388	5,476	1,931	8,688	74	(32,316)	124,471
Total assets	$ 727,606	$ 1,720,297	$ 157,894	$ 88,946	$ 55,437	$ 96,472	$ 33,294	$ (663,644)	$ 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 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)	298,177
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
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	28,832	379,498	65,873	36,087	21,300	22,327	27,322	(21,306)	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	28,850	478,682	95,434	40,706	28,735	23,980	27,352	(21,346)	702,393
Total liabilities and net assets	$ 727,606	$ 1,720,297	$ 157,894	$ 88,946	$ 55,437	$ 96,472	$ 33,294	$ (663,644)	$ 2,216,302

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

(in thousands of dollars)	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non-Oblig Group Affiliates	Eliminations	Health System Consolidated
Assets										
Current assets										
Cash and cash equivalents	$ 134,634	$ 22,544	$ 6,688	$ 9,419	$ 6,604	$ -	$ 179,889	$ 20,280	$ -	$ 200,169
Patient accounts receivable, net	-	176,981	17,183	8,302	5,055	-	207,521	11,707	-	219,228
Prepaid expenses and other current assets	11,964	143,893	6,551	5,253	2,313	(72,361)	97,613	4,766	(4,877)	97,502
Total current assets	146,598	343,418	30,422	22,974	13,972	(72,361)	485,023	36,753	(4,877)	516,899
Assets limited as to use	8	616,929	17,438	12,821	10,829	-	658,025	48,099	-	706,124
Notes receivable, related party	554,771	-	-	-	-	(554,771)	-	-	-	-
Other investments for restricted activities	-	87,613	8,591	2,981	6,238	-	105,423	25,473	-	130,896
Property, plant, and equipment, net	36	443,154	66,759	42,438	17,356	-	569,743	37,578	-	607,321
Other assets	24,863	101,078	1,370	5,906	4,280	(10,970)	126,527	3,604	(21,346)	108,785
Total assets	$ 726,276	$ 1,592,192	$ 124,580	$ 87,120	$ 52,675	$ (638,102)	$ 1,944,741	$ 151,507	$ (26,223)	$ 2,070,025
Liabilities and Net Assets										
Current liabilities										
Current portion of long-term debt	$ -	$ 1,031	$ 810	$ 572	$ 187	$ -	$ 2,600	$ 864	$ -	$ 3,464
Current portion of liability for pension and other postretirement plan benefits	-	3,311	-	-	-	-	3,311	-	-	3,311
Accounts payable and accrued expenses	54,995	82,061	20,107	6,705	3,029	(72,361)	94,536	6,094	(4,877)	95,753
Accrued compensation and related benefits	-	106,485	5,730	2,487	3,796	-	118,498	7,078	-	125,576
Estimated third-party settlements	3,002	24,411	-	9,655	1,625	-	38,693	2,448	-	41,141
Total current liabilities	57,997	217,299	26,647	19,419	8,637	(72,361)	257,638	16,484	(4,877)	269,245
Notes payable, related party	-	527,346	-	27,425	-	(554,771)	-	-	-	-
Long-term debt, excluding current portion	644,520	52,878	25,354	1,179	11,270	(10,970)	724,231	28,744	-	752,975
Insurance deposits and related liabilities	-	54,616	465	155	240	-	55,476	40	-	55,516
Liability for pension and other postretirement plan benefits, excluding current portion	-	232,696	4,215	-	5,316	-	242,227	-	-	242,227
Other liabilities	-	85,577	1,107	1,405	-	-	88,089	38	-	88,127
Total liabilities	702,517	1,170,412	57,788	49,583	25,463	(638,102)	1,367,661	45,306	(4,877)	1,408,090
Commitments and contingencies										
Net assets										
Net assets without donor restrictions	23,759	334,882	61,828	32,897	19,812	-	473,178	72,230	(21,306)	524,102
Net assets with donor restrictions	-	86,898	4,964	4,640	7,400	-	103,902	33,971	(40)	137,833
Total net assets	23,759	421,780	66,792	37,537	27,212	-	577,080	106,201	(21,346)	661,935
Total liabilities and net assets	$ 726,276	$ 1,592,192	$ 124,580	$ 87,120	$ 52,675	$ (638,102)	$ 1,944,741	$ 151,507	$ (26,223)	$ 2,070,025

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

(in thousands of dollars)	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	$ 134,634	$ 23,094	$ 8,621	$ 9,982	$ 6,654	$ 12,144	$ 5,040	$ -	$ 200,169
Patient accounts receivable, net	-	176,981	17,183	8,302	5,109	7,996	3,657	-	219,228
Prepaid expenses and other current assets	11,964	144,755	5,520	5,276	2,294	4,443	488	(77,238)	97,502
Total current assets	146,598	344,830	31,324	23,560	14,057	24,583	9,185	(77,238)	516,899
Assets limited as to use	8	635,028	17,438	12,821	11,862	9,612	19,355	-	706,124
Notes receivable, related party	554,771	-	-	-	-	-	-	(554,771)	-
Other investments for restricted activities	-	95,772	25,873	2,981	6,238	32	-	-	130,896
Property, plant, and equipment, net	36	445,829	70,607	42,920	19,065	25,725	3,139	-	607,321
Other assets	24,863	101,235	7,526	5,333	1,886	130	128	(32,316)	108,785
Total assets	$ 726,276	$ 1,622,694	$ 152,768	$ 87,615	$ 53,108	$ 60,082	$ 31,807	$ (664,325)	$ 2,070,025
Liabilities and Net Assets									
Current liabilities									
Current portion of long-term debt	$ -	$ 1,031	$ 810	$ 572	$ 245	$ 739	$ 67	$ -	$ 3,464
Current portion of liability for pension and other postretirement plan benefits	-	3,311	-	-	-	-	-	-	3,311
Accounts payable and accrued expenses	54,995	82,613	20,052	6,714	3,092	3,596	1,929	(77,238)	95,753
Accrued compensation and related benefits	-	106,485	5,730	2,487	3,831	5,814	1,229	-	125,576
Estimated third-party settlements	3,002	24,411	-	9,655	1,625	2,448	-	-	41,141
Total current liabilities	57,997	217,851	26,592	19,428	8,793	12,597	3,225	(77,238)	269,245
Notes payable, related party	-	527,346	-	27,425	-	-	-	(554,771)	-
Long-term debt, excluding current portion	644,520	52,878	25,354	1,179	11,593	25,792	2,629	(10,970)	752,975
Insurance deposits and related liabilities	-	54,616	465	155	241	-	39	-	55,516
Liability for pension and other postretirement plan benefits, excluding current portion	-	232,696	4,215	-	5,316	-	-	-	242,227
Other liabilities	-	85,577	1,117	1,405	-	28	-	-	88,127
Total liabilities	702,517	1,170,964	57,743	49,592	25,943	38,417	5,893	(642,979)	1,408,090
Commitments and contingencies									
Net assets									
Net assets without donor restrictions	23,759	356,518	65,069	33,383	19,764	21,031	25,884	(21,306)	524,102
Net assets with donor restrictions	-	95,212	29,956	4,640	7,401	634	30	(40)	137,833
Total net assets	23,759	451,730	95,025	38,023	27,165	21,665	25,914	(21,346)	661,935
Total liabilities and net assets	$ 726,276	$ 1,622,694	$ 152,768	$ 87,615	$ 53,108	$ 60,082	$ 31,807	$ (664,325)	$ 2,070,025

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets without Donor Restrictions
Year Ended 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
Operating revenue and other support											
Patient service revenue	$ -	$ 1,580,552	$ 220,255	$ 69,794	$ 60,166	$ 46,029	$ -	$ 1,976,796	$ 22,527	$ -	$ 1,999,323
Contracted revenue	5,011	109,051	355	-	-	5,902	(46,100)	74,219	790	8	75,017
Other operating revenue	21,128	186,852	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	64,604	54,244	(68,176)	2,261,619	37,813	(289)	2,299,143
Operating expenses											
Salaries	-	888,311	107,671	37,297	30,549	26,514	(24,682)	1,045,660	15,785	1,106	1,062,551
Employee benefits	-	208,346	24,225	6,454	5,434	6,966	(3,783)	247,662	3,642	287	251,591
Medical supplies and medications	-	354,201	34,331	8,634	6,298	3,032	-	406,496	1,379	-	407,875
Purchased services and other	11,366	242,106	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	1,818,846	218,350	74,229	63,107	54,826	(70,471)	2,190,944	38,726	(229)	2,229,441
Operating (loss) margin	(5,549)	69,165	6,399	(2,550)	1,497	(582)	2,295	70,675	(913)	(60)	69,702
Nonoperating gains (losses)											
Investment income (losses), net	3,929	32,193	227	469	834	623	(198)	38,077	1,975	-	40,052
Other (losses) income, net	(3,784)	1,586	(187)	30	(240)	279	(2,097)	(4,413)	791	60	(3,562)
Loss on early extinguishment of debt	-	-	-	(87)	-	-	-	(87)	-	-	(87)
Loss on swap termination	-	-	-	-	-	-	-	-	-	-	-
Total non-operating gains (losses), net	145	33,779	40	412	594	902	(2,295)	33,577	2,766	60	36,403
(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	-	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)	-	-
Additional paid in capital	-	-	-	-	-	-	-	-	-	-	-
Other changes in net assets	-	-	-	-	-	-	-	-	-	-	-
Change in fair value on interest rate swaps	-	-	-	-	-	-	-	-	-	-	-
Change in funded status of interest rate swaps	-	-	-	-	-	-	-	-	-	-	-
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

(In thousands of dollars)	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	$ -	$ 1,580,552	$ 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	-	208,346	24,235	5,434	7,133	7,218	2,701	(3,476)	251,591
Medical supplies and medications	-	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	1,822,841	218,852	62,974	56,340	83,653	23,423	(70,700)	2,229,441
Operating (loss) margin	(5,549)	68,965	6,038	1,629	(515)	(2,746)	(355)	2,235	69,702
Non-operating gains (losses)									
Investment income (losses), net	3,929	33,310	129	785	645	469	983	(198)	40,052
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)
Loss on swap termination	-	-	-	-	-	-	-	-	-
Total nonoperating gains (losses), net	145	34,896	(42)	545	933	413	1,748	(2,235)	36,403
(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	-	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	-	-
Additional paid in capital	-	-	-	-	-	-	-	-	-
Other changes in net assets	-	-	-	-	-	-	-	-	-
Change in fair value on interest rate swaps	-	-	-	-	-	-	-	-	-
Change in funded status of interest rate swaps	-	-	-	-	-	-	-	-	-
Increase 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
Consolidating Statements of Operations and Changes in Net Assets Without Donor Restrictions
Year Ended June 30, 2018

(in thousands of dollars)	Dartmouth-Hitchcock Health	Dartmouth-Hitchcock	Cheshire Medical Center	New London Hospital Association	Mt. Ascutney Hospital and Health Center	Eliminations	DH Obligated Group Subtotal	All Other Non Oblig Group Affiliates	Eliminations	Health System Consolidated
Operating revenue and other support										
Patient service revenue	$ -	$ 1,475,314	$ 216,736	$ 60,486	$ 52,014	$ -	$ 1,804,550	$ 94,545	$ -	$ 1,899,095
Provision for bad debts	-	31,358	10,967	1,554	1,440	-	45,319	2,048	-	47,367
Net patient service revenue	-	1,443,956	205,769	58,932	50,574	-	1,759,231	92,497	-	1,851,728
Contracted revenue	(2,305)	97,291	-	-	2,169	(42,870)	54,285	716	(32)	54,969
Other operating revenue	9,799	134,461	3,365	4,169	1,814	(10,554)	143,054	6,978	(1,086)	148,946
Net assets released from restrictions	658	11,605	620	52	44	-	12,979	482	-	13,461
Total operating revenue and other support	8,152	1,687,313	209,754	63,153	54,601	(53,424)	1,969,549	100,673	(1,118)	2,069,104
Operating expenses										
Salaries	-	806,344	105,607	30,360	24,854	(21,542)	945,623	42,035	1,605	989,263
Employee benefits	-	181,833	28,343	7,252	7,000	(5,385)	219,043	10,221	419	229,683
Medical supplies and medications	-	289,327	31,293	6,161	3,055	-	329,836	10,195	-	340,031
Purchased services and other	8,509	215,073	33,065	13,587	13,960	(19,394)	264,800	29,390	(2,818)	291,372
Medicaid enhancement tax	-	53,044	8,070	2,659	1,744	-	65,517	2,175	-	67,692
Depreciation and amortization	23	66,073	10,217	3,934	2,030	-	82,277	2,501	-	84,778
Interest	8,684	15,772	1,004	981	224	(8,882)	17,783	1,039	-	18,822
Total operating expenses	17,216	1,627,466	217,599	64,934	52,867	(55,203)	1,924,879	97,556	(794)	2,021,641
Operating margin (loss)	(9,064)	59,847	(7,845)	(1,781)	1,734	1,779	44,670	3,117	(324)	47,463
Non-operating gains (losses)										
Investment income (losses), net	(26)	33,628	1,408	1,151	858	(198)	36,821	3,566	-	40,387
Other (losses) income, net	(1,364)	(2,599)	-	1,276	266	(1,581)	(4,002)	733	361	(2,908)
Loss on early extinguishment of debt	-	(13,909)	-	(305)	-	-	(14,214)	-	-	(14,214)
Loss on swap termination	-	(14,247)	-	-	-	-	(14,247)	-	-	(14,247)
Total non-operating gains (losses), net	(1,390)	2,873	1,408	2,122	1,124	(1,779)	4,358	4,299	361	9,018
(Deficiency) excess of revenue over expenses	(10,454)	62,720	(6,437)	341	2,858	-	49,028	7,416	37	56,481
Net assets without donor restrictions										
Net assets released from restrictions	-	16,038	-	4	252	-	16,294	19	-	16,313
Change in funded status of pension and other postretirement benefits	-	4,300	2,827	-	1,127	-	8,254	-	-	8,254
Net assets transferred to (from) affiliates	17,791	(25,355)	7,188	48	328	-	-	-	-	-
Additional paid in capital	-	-	-	-	-	-	-	58	(58)	-
Other changes in net assets	-	-	-	-	-	-	-	(185)	-	(185)
Change in fair value on interest rate swaps	-	4,190	-	-	-	-	4,190	-	-	4,190
Change in funded status of interest rate swaps	-	14,102	-	-	-	-	14,102	-	-	14,102
Increase in net assets without donor restrictions	$ 7,337	$ 75,995	$ 3,578	$ 393	$ 4,565	$ -	$ 91,868	$ 7,308	$ (21)	$ 99,155

Dartmouth-Hitchcock Health and Subsidiaries
Consolidating Statements of Operations and Changes in Net Assets Without Donor Restrictions
Year Ended June 30, 2018

(in thousands of dollars)	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	$ -	$ 1,475,314	$ 216,736	$ 60,486	$ 52,014	$ 71,458	$ 23,087	$ -	$ 1,899,095
Provision for bad debts	-	31,358	10,967	1,554	1,440	1,680	368	-	47,367
Net patient service revenue	-	1,443,956	205,769	58,932	50,574	69,778	22,719	-	1,851,728
Contracted revenue	(2,305)	98,007	-	-	2,169	-	-	(42,902)	54,969
Other operating revenue	9,799	137,242	4,061	4,166	3,168	1,697	453	(11,640)	148,946
Net assets released from restrictions	658	11,984	620	52	44	103	-	-	13,461
Total operating revenue and other support	8,152	1,691,189	210,450	63,150	55,955	71,578	23,172	(54,542)	2,069,104
Operating expenses									
Salaries	-	806,344	105,607	30,360	25,592	29,215	12,082	(19,937)	989,263
Employee benefits	-	181,833	28,343	7,252	7,162	7,406	2,653	(4,966)	229,683
Medical supplies and medications	-	289,327	31,293	6,161	3,057	8,484	1,709	-	340,031
Purchased services and other	8,512	218,690	33,431	13,432	14,354	19,220	5,945	(22,212)	291,372
Medicaid enhancement tax	-	53,044	8,070	2,659	1,743	2,176	-	-	67,692
Depreciation and amortization	23	66,073	10,357	3,939	2,145	1,831	410	-	84,778
Interest	8,684	15,772	1,004	981	223	975	65	(8,882)	18,822
Total operating expenses	17,219	1,631,083	218,105	64,784	54,276	69,307	22,864	(55,997)	2,021,641
Operating (loss) margin	(9,067)	60,106	(7,655)	(1,634)	1,679	2,271	308	1,455	47,463
Nonoperating gains (losses)									
Investment income (losses), net	(26)	35,177	1,954	1,097	787	203	1,393	(198)	40,387
Other (losses) income, net	(1,364)	(2,599)	(3)	1,276	273	(223)	952	(1,220)	(2,908)
Loss on early extinguishment of debt	-	(13,909)	-	(305)	-	-	-	-	(14,214)
Loss on swap termination	-	(14,247)	-	-	-	-	-	-	(14,247)
Total non-operating gains (losses), net	(1,390)	4,422	1,951	2,068	1,060	(20)	2,345	(1,418)	9,018
(Deficiency) excess of revenue over expenses	(10,457)	64,528	(5,704)	434	2,739	2,251	2,653	37	56,481
Net assets without donor restrictions									
Net assets released from restrictions	-	16,058	-	4	251	-	-	-	16,313
Change in funded status of pension and other postretirement benefits	-	4,300	2,827	-	1,127	-	-	-	8,254
Net assets transferred to (from) affiliates	17,791	(25,355)	7,188	48	328	-	-	-	-
Additional paid in capital	58	-	-	-	-	-	-	(58)	-
Other changes in net assets	-	-	-	-	-	(185)	-	-	(185)
Change in fair value on interest rate swaps	-	4,190	-	-	-	-	-	-	4,190
Change in funded status of interest rate swaps	-	14,102	-	-	-	-	-	-	14,102
Increase (decrease) in net assets without donor restrictions	$ 7,392	$ 77,823	$ 4,311	$ 486	$ 4,445	$ 2,066	$ 2,653	$ (21)	$ 99,155

Dartmouth-Hitchcock Health and Subsidiaries
Notes to Supplemental Consolidating Information
June 30, 2019 and 2018

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.

Schedule of Expenditures of Federal Awards

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Federal Program						
Research and Development Cluster						
Department of Defense						
National Guard Military Operations and Maintenance (O&M) Projects	12.401	W81XWH1820076	Direct		$ 234,630	$ -
Military Medical Research and Development	12.420	W81XWH1810712	Direct		131,525	-
Military Medical Research and Development	12.420	R1143	Pass-Through	Trustees of Dartmouth College	2,055	-
					133,580	-
Department of Defense	12.RD	80232	Pass-Through	Creare, Inc.	46,275	-
					414,485	-
Environmental Protection Agency						
Science To Achieve Results (STAR) Research Program	66.509	31220SUB52965	Pass-Through	University of Vermont	1,031	-
					1,031	-
Department of Health and Human Services						
Innovations in Applied Public Health Research	93.061	1 R01 TS000288	Direct		84,957	8,357
Environmental Health	93.113	6K23ES025781-06	Direct		111,125	-
Environmental Health	93.113	R1118	Pass-Through	Trustees of Dartmouth College	5,087	-
					116,212	-
NIEHS Superfund Hazardous Substances	93.143	R1099	Pass-Through	Trustees of Dartmouth College	6,457	-
Health Program for Toxic Substances and Disease Registry	93.161	AWD00010523	Direct		61,180	-
Research Related to Deafness and Communication Disorders	93.173	6R21DC015133-03	Direct		119,896	61,908
National Research Service Award in Primary Care Medicine	93.186	T32HP32520	Direct		309,112	-
Research and Training in Complementary and Integrative Health	93.213	R1112	Pass-Through	Trustees of Dartmouth College	21,197	-
Research and Training in Complementary and Integrative Health	93.213	R1187	Pass-Through	Trustees of Dartmouth College	448	-
Research and Training in Complementary and Integrative Health	93.213	12272	Pass-Through	Palmer College of Chiropractic	30,748	-
Research and Training in Complementary and Integrative Health	93.213	Not Provided	Pass-Through	Southern California University of Health	12,030	-
					64,421	-
Research on Healthcare Costs, Quality and Outcomes	93.226	5P30HS024403	Direct		641,114	-
Research on Healthcare Costs, Quality and Outcomes	93.226	R1128	Pass-Through	Trustees of Dartmouth College	6,003	-
Research on Healthcare Costs, Quality and Outcomes	93.226	R1146	Pass-Through	Trustees of Dartmouth College	4,696	-
					651,813	-
Mental Health Research Grants	93.242	1K08MH117347-01A1	Direct		54,211	-
Mental Health Research Grants	93.242	6K23MH116367-02	Direct		109,228	-
Mental Health Research Grants	93.242	6R01MH110965	Direct		220,078	84,823
Mental Health Research Grants	93.242	6T32MH073553-15	Direct		130,340	-
Mental Health Research Grants	93.242	6R25MH068502-17	Direct		157,599	-
Mental Health Research Grants	93.242	6R01MH107625-05	Direct		200,805	27,964
Mental Health Research Grants	93.242	R1082	Pass-Through	Trustees of Dartmouth College	11,740	-
Mental Health Research Grants	93.242	R1144	Pass-Through	Trustees of Dartmouth College	5,897	-
Mental Health Research Grants	93.242	R1156	Pass-Through	Trustees of Dartmouth College	4,721	-
					894,617	112,787

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Drug Abuse and Addiction Research Programs	93.279	6R01DA034699-05	Direct		390,647	90,985
Drug Abuse and Addiction Research Programs	93.279	6R21DA044501-03	Direct		118,741	-
Drug Abuse and Addiction Research Programs	93.279	6R01DA041416-04	Direct		135,687	62,277
Drug Abuse and Addiction Research Programs	93.279	R1105	Pass-Through	Trustees of Dartmouth College	11,957	-
Drug Abuse and Addiction Research Programs	93.279	R1104	Pass-Through	Trustees of Dartmouth College	4,109	-
Drug Abuse and Addiction Research Programs	93.279	R1192	Pass-Through	Trustees of Dartmouth College	5,059	-
					666,200	153,262
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	6K23EB026507-02	Direct		98,499	9,582
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	6R21EB021456-03	Direct		23,293	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	R1103	Pass-Through	Trustees of Dartmouth College	18,635	-
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	5R21EB024771-02	Pass-Through	Trustees of Dartmouth College	5,938	-
					144,365	9,582
National Center for Advancing Translational Sciences	93.350	R1113	Pass-Through	Trustees of Dartmouth College	342,790	-
21st Century Cures Act - Beau Biden Cancer Moonshot	93.353	1204501	Pass-Through	Dana Farber Cancer Institute	166,421	-
Cancer Cause and Prevention Research	93.393	1R01CA225792	Direct		54,351	-
Cancer Cause and Prevention Research	93.393	R21CA227776A	Direct		28,640	-
Cancer Cause and Prevention Research	93.393	R01CA229197	Direct		65,701	-
Cancer Cause and Prevention Research	93.393	R1127	Pass-Through	Trustees of Dartmouth College	6,035	-
Cancer Cause and Prevention Research	93.393	R1097	Pass-Through	Trustees of Dartmouth College	5,870	-
Cancer Cause and Prevention Research	93.393	R1109	Pass-Through	Trustees of Dartmouth College	1,984	-
Cancer Cause and Prevention Research	93.393	DHMCCA222648	Pass-Through	The Pennsylvania State University	3,173	-
Cancer Cause and Prevention Research	93.393	R44CA210810	Pass-Through	Cairn Surgical, LLC	38,241	-
					203,995	-
Cancer Detection and Diagnosis Research	93.394	4R00CA190890-03	Direct		1,717	-
Cancer Detection and Diagnosis Research	93.394	5R37CA212187-03	Direct		106,110	2,907
Cancer Detection and Diagnosis Research	93.394	5R03CA219445-03	Direct		18,880	-
Cancer Detection and Diagnosis Research	93.394	R1079	Pass-Through	Trustees of Dartmouth College	23,031	-
Cancer Detection and Diagnosis Research	93.394	R1080	Pass-Through	Trustees of Dartmouth College	23,031	-
Cancer Detection and Diagnosis Research	93.394	R1086	Pass-Through	Trustees of Dartmouth College	6,772	-
Cancer Detection and Diagnosis Research	93.394	R1096	Pass-Through	Trustees of Dartmouth College	1,174	-
Cancer Detection and Diagnosis Research	93.394	R1124	Pass-Through	Trustees of Dartmouth College	83,174	-
					263,889	2,907
Cancer Treatment Research	93.395	1UG1CA233323-01	Direct		14,675	-
Cancer Treatment Research	93.395	5U10CA180854-06	Direct		27,790	-
Cancer Treatment Research	93.395	DAC-194321	Pass-Through	Mayo Clinic	36,708	-

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Cancer Treatment Research	93.395	R1087	Pass-Through	Trustees of Dartmouth College	2,630	-
Cancer Treatment Research	93.395	110408	Pass-Through	Brigham and Women's Hospital	20,430	-
					102,233	-
Cancer Centers Support Grants	93.397	R1126	Pass-Through	Trustees of Dartmouth College	95,624	-
Cardiovascular Diseases Research	93.837	1UM1HL147371-01	Direct		11,774	-
Cardiovascular Diseases Research	93.837	7K23HL142835-02	Direct		65,544	-
					77,318	-
Lung Diseases Research	93.838	6R01HL122372-05	Direct		205,920	8,664
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	6T32AR049710-16	Direct		73,049	-
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	R1098	Pass-Through	Trustees of Dartmouth College	70,736	704
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	6R01NS052274-11	Direct		50,412	-
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	16-210950-04	Direct		18,016	-
					68,428	-
Allergy and Infectious Diseases Research	93.855	R1081	Pass-Through	Trustees of Dartmouth College	3,787	-
Allergy and Infectious Diseases Research	93.855	RES513934	Pass-Through	Case Western Reserve University	4,170	-
Allergy and Infectious Diseases Research	93.855	R1155	Pass-Through	Trustees of Dartmouth College	14,582	-
					22,539	-
Biomedical Research and Research Training	93.859	R1100	Pass-Through	Trustees of Dartmouth College	14,901	-
Biomedical Research and Research Training	93.859	R1141	Pass-Through	Trustees of Dartmouth College	587	-
Biomedical Research and Research Training	93.859	R1145	Pass-Through	Trustees of Dartmouth College	241	-
					15,729	-
Child Health and Human Development Extramural Research	93.865	5P2CHD086841-04	Direct		127,400	10,132
Child Health and Human Development Extramural Research	93.865	6UG1OD024946-03	Direct		260,914	-
Child Health and Human Development Extramural Research	93.865	6R01HD067270	Direct		314,058	223,885
Child Health and Human Development Extramural Research	93.865	R1119	Pass-Through	Trustees of Dartmouth College	13,264	-
Child Health and Human Development Extramural Research	93.865	51460	Pass-Through	Univ of Arkansas for Medical Sciences	4,696	-
					720,332	234,017
Aging Research	93.866	6K23AG051681-04	Direct		76,377	2,883
Aging Research	93.866	R1102	Pass-Through	Trustees of Dartmouth College	8,285	-
					84,662	2,883
Vision Research	93.867	6R21EY028677-02	Direct		28,751	3,149
Medical Library Assistance	93.879	R1107	Pass-Through	Trustees of Dartmouth College	4,273	-
Medical Library Assistance	93.879	R1190	Pass-Through	Trustees of Dartmouth College	1,244	-
					5,517	-
International Research and Research Training	93.989	R1123	Pass-Through	Trustees of Dartmouth College	5,936	-
International Research and Research Training	93.989	6R25TW007693-09	Pass-Through	Fogarty International Center	96,327	65,097
					102,263	65,097

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
Department of Health and Human Services	93.RD		Pass-Through	Leidos Biomedical Research, Inc.	201,551	-
Total Department of Health and Human Services					5,970,977	663,327
Total Research and Development Cluster					6,386,493	663,327
Medicaid Cluster						
Medical Assistance Program	93.778	SNHH 2-18-19	Pass-Through	Southern New Hampshire Health	131,775	-
Medical Assistance Program	93.778	Not Provided	Pass-Through	NH Dept of Health and Human Services	1,453,796	-
Medical Assistance Program	93.778	RFP-2017-0COM-01-PHYSI-01	Pass-Through	NH Dept of Health and Human Services	3,108,149	-
Medical Assistance Program	93.778	03420-7235S	Pass-Through	Vermont Department of Health	59,391	
Medical Assistance Program	93.778	03410-2020-19	Pass-Through	Vermont Department of Health	118,786	
Total Medicaid Cluster					4,869,897	-
Highway Safety Cluster						
State and Community Highway Safety	20.600	19-266 Youth Operator	Pass-Through	NH Highway Safety Agency	66,660	-
State and Community Highway Safety	20.600	19-266 BUNH	Pass-Through	NH Highway Safety Agency	76,915	-
State and Community Highway Safety	20.600	19-266 Statewide CPS	Pass-Through	NH Highway Safety Agency	82,202	-
Total Highway Safety Cluster					225,777	-
Other Sponsored Programs						
Department of Justice						
Crime Victim Assistance	16.575	2015-VA-GX0007	Pass-Through	New Hampshire Department of Justice	237,692	-
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758	1-CLAR-NH-SA17	Pass-Through	National Children's Alliance	1,448	-
					239,140	-
Department of Education						
Race to the Top	84.412	03440-34119-18-ELCG24	Pass-Through	Vermont Dept for Children and Families	115,094	-
					115,094	-
Department of Health and Human Services						
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	Not Provided	Pass-Through	NH Dept of Health and Human Services	69,945	-
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	GENFD0001568485	Pass-Through	Boston Children's Hospital	16,283	
Maternal and Child Health Federal Consolidated Programs	93.110	6 T73MC323930101	Direct		652,997	591,411
Maternal and Child Health Federal Consolidated Programs	93.110	0253-6545-4609	Pass-Through	Icahn School of Medicine at Mount Sinai	19,548	
					672,545	591,411
Emergency Medical Services for Children	93.127	7 H33MC323950100	Direct		137,067	
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	R1140	Pass-Through	Trustees of Dartmouth College	449,757	-
HIV-Related Training and Technical Assistance	93.145	Not Provided	Pass-Through	University of Massachusetts Med School	3,242	
Coordinated Services and Access to Research for Women, Infants, Children	93.153	H12HA31112	Direct		391,829	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	7H79SM063584-01	Direct		24,313	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	55,381	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Not Provided	Pass-Through	Vermont Department of Health	227,437	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	03420-A19006S	Pass-Through	Vermont Department of Health	126,764	
					433,875	-
Drug Free Communities Support Program Grants	93.276	5H79SP020382	Direct		126,464	-
Department of Health and Human Services	93.628	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	29,838	-

Dartmouth-Hitchcock Health and Subsidiaries
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

	CFDA	Award Number/pass-through Identification Number	Funding Source	Pass-Through Entity	Total Expenditures	Amount Passed Through to Subrecipients
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	19-029	Pass-Through	University of New Hampshire	2,611	-
Adoption Opportunities	93.652	AWD00009303	Direct		32,384	-
Adoption Opportunities	93.652	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	110,524	-
					142,908	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	RFP-2018-DPHS-01-REGION-1	Pass-Through	NH Dept of Health and Human Services	343,297	-
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.761	90FPSG0019	Direct		134,524	-
Opioid STR	93.788	RFP-2018-BDAS-05-INTEG	Pass-Through	NH Dept of Health and Human Services	954,356	61,208
Opioid STR	93.788	2019-BDAS-05-ACCES-04	Pass-Through	NH Dept of Health and Human Services	161,164	-
Opioid STR	93.788	SS-2019-BDAS-05-ACCES-02	Pass-Through	NH Dept of Health and Human Services	243,747	-
					1,359,267	61,208
Organized Approaches to Increase Colorectal Cancer Screening	93.800	5 NU58DP006086	Direct		912,937	-
Hospital Preparedness Program (HPP) Ebola Preparedness	93.817	03420-6755S	Pass-Through	Vermont Department of Health	2,347	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	03420-6951S	Pass-Through	Vermont Department of Health	99,841	-
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	03420-07623	Pass-Through	Vermont Department of Health	178,907	-
					278,748	-
National Bioterrorism Hospital Preparedness Program	93.889	03420-7272S	Pass-Through	Vermont Department of Health	2,786	-
Rural Health Care Services Outreach, Rural Health Network Develop and Small Health Care Provider Quality Improvement	93.912	6 D06RH31057-02-03	Direct		138,959	-
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	1 H76HA31654-01-00	Direct		273,666	-
Block Grants for Community Mental Health Services	93.958	9224120	Pass-Through	NH Dept of Health and Human Services	2,498	-
Block Grants for Community Mental Health Services	93.958	RFP-2017-DBH-05-FIRSTE	Pass-Through	NH Dept of Health and Human Services	32,625	-
					35,123	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	05-95-49-491510-2990	Pass-Through	NH Dept of Health and Human Services	69,276	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Not Provided	Pass-Through	Foundation for Healthy Communities	54,356	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	05-95-49-491510-2990	Pass-Through	Foundation for Healthy Communities	1,695	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	03420-A18033S	Pass-Through	Vermont Department of Health	59,204	-
					184,531	-
PPHF Geriatric Education Centers	93.969	U1OHP32519	Direct		728,055	-
Department of Health and Human Services	93.U01	RFP-2018-DPHS-05-INJUR	Pass-Through	NH Highway Safety Agency	80,107	-
Department of Health and Human Services	93.U02	Not Provided	Pass-Through	NH Dept of Health and Human Services	48,489	-
Department of Health and Human Services	93.U03	Not Provided	Pass-Through	NH Dept of Health and Human Services	56,419	-
Department of Health and Human Services	93.U04	Not Provided	Pass-Through	NH Dept of Health and Human Services	37,009	-
Department of Health and Human Services	93.U05	Not Provided	Pass-Through	NH Dept of Health and Human Services	39,653	-
Department of Health and Human Services	93.U06	Not Provided	Pass-Through	County of Cheshire	213,301	-
					474,978	-
Corporation for National and Community Service AmeriCorps	94.006	17ACHNH0010001	Pass-Through	Volunteer NH	72,297	-
					72,297	-
Total Other Programs					7,774,313	652,619
Total Federal Awards and Expenditures					$ 19,256,480	$ 1,315,946

Dartmouth-Hitchcock Health and Subsidiaries
Notes to Schedule of Expenditures of Federal Awards
June 30, 2019

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") presents the activity of federal award programs administered by Dartmouth-Hitchcock Health and Subsidiaries (the "Health System") as defined in the notes to the consolidated financial statements and is presented on an accrual basis. The purpose of this Schedule is to present a summary of those activities of the Health System for the year ended June 30, 2019 which have been financed by the United States government ("federal awards"). For purposes of this Schedule, federal awards include all federal assistance entered into directly between the Health System and the federal government and subawards from nonfederal organizations made under federally sponsored agreements. The information in this Schedule in presented in accordance with the requirements of the Uniform Guidance. Pass-through entity identification numbers and CFDA numbers have been provided where available.

Visiting Nurse and Hospice of NH and VT ("VNH") received a Community Facilities Loan, CFDA #10.766, of which the proceeds were expended in the prior fiscal year. The VNH had an outstanding balance of $2,696,512 as of June 30, 2019. As this loan was related to a project that was completed in the prior audit period and the terms and conditions do not impose continued compliance requirements other than to repay the loan, we have properly excluded the outstanding loan balance from the Schedule.

2. Indirect Expenses

Indirect costs are charged to certain federal grants and contracts at a federally approved predetermined indirect rate, negotiated with the Division of Cost Allocation and therefore we do not use the de minimus 10% rate. The predetermined rate provided for the year ended June 30, 2019 was 29.3%. Indirect costs are included in the reported federal expenditures.

3. Related Party Transactions

The Health System has an affiliation agreement with Dartmouth College dated June 4, 1996 in which the Health System and the Geisel School of Medicine at Dartmouth College affirm their mutual commitment to providing high quality medical care, medical education and medical research at both organizations. Pursuant to this affiliation agreement, certain clinical faculty of the Health System participate in federal research programs administered by Dartmouth College. During the fiscal year ended June 30, 2019, Health System expenditures, which Dartmouth College reimbursed, totaled $3,979,033. Based on the nature of these transactions, the Health System and Dartmouth College do not view these arrangements to be subrecipient transactions but rather view them as Dartmouth College activity. Accordingly, this activity does not appear in the Health System's schedule of expenditures of federal awards for the year ended June 30, 2019.

Part II
Reports on Internal Control and Compliance

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Dartmouth-Hitchcock Health and its subsidiaries (the "Health System"), which comprise the consolidated balance sheet as of June 30, 2019, and the related consolidated statements of operations and changes in net assets and of cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 26, 2019, which included an emphasis of a matter paragraph related to the Health System changing the manner in which it accounts for revenue recognition from contracts with customers and the manner in which it presents net assets and reports certain aspects of its financial statements as a not-for-profit entity in 2019 as discussed in note 2 of the consolidated financial statements.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

PricewaterhouseCoopers LLP

Boston, Massachusetts
November 26, 2019

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

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

Report on Compliance for Each Major Federal Program

We have audited Dartmouth-Hitchcock Health and its subsidiaries' (the "Health System") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Health System's major federal programs for the year ended June 30, 2019. The Health System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Dartmouth-Hitchcock Health and its subsidiaries compliance.

Opinion on Each Major Federal Program

In our opinion, Dartmouth-Hitchcock Health and its subsidiaries complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

PricewaterhouseCoopers LLP

Boston, Massachusetts
March 31, 2020

Part III
Findings and Questioned Costs

Dartmouth-Hitchcock and Subsidiaries
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019

I. Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs

CFDA Number	Name of Federal Program or Cluster
Various CFDA Numbers	Research and Development
93.800	Organized Approaches to Increase Colorectal Cancer Screening
93.788	Opiod STR
93.110	Maternal and Child Health Federal Consolidated Programs

Dollar threshold used to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low-risk auditee?	Yes

Dartmouth-Hitchcock and Subsidiaries
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019

II. Financial Statement Findings

None Noted

III. Federal Award Findings and Questioned Costs

None Noted

Dartmouth-Hitchcock and Subsidiaries
Summary Schedule of Prior Audit Findings and Status
Year Ended June 30, 2019

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

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

Effective: January 1, 2020

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Laura K. Landy, MBA MHMH/DHC/D-HH Trustee *President and CEO of the Fannie E. Rippel Foundation*	

A. Nicole Flickinger

[redacted]

Executive Summary

High-performing Director with clinical experience in medical/surgical and psychiatric nursing environments. Passionate about quality improvement, patient satisfaction and staff engagement. Record of improving efficiency and productivity through process improvement. Outstanding interpersonal and motivational skills. Analytical, articulate and diligent.

Core Competencies

- Strategic Planning
- Prioritizing/managing deadlines
- Patient/family focused
- Policy and program development
- Clinical experience

Professional Experience

Clinical Nurse

July 2018 to present

Dartmouth Hitchcock Medical Center – Lebanon, New Hampshire

- Communicated and collaborated with a diverse group of people for the purpose of informing the healthcare team of plans/actions, for teaching/education to benefit the patient/family organization.
- Handled patient pharmacy needs by coordinating prescriptions to preferred pharmacies and assisting with application and processing of medical assistance through pharmaceutical companies.
- Administered injections and immunizations.

Director of Nursing Operations

March 2017 to August 2017

Brattleboro Retreat – Brattleboro, Vermont

- Implemented a hospital wide on call system to reduce mandated overtime shifts throughout the entire hospital and participated in union negotiations to reach a mutually beneficial scheduling process while also reducing staffing costs.
- Tracks and analyzes budgeted and actual NHPPD, hospital wide acuity, sick calls and mandatory overtime shifts and suggests adjustments on a daily basis to ensure fiscal responsibility and during annual budgeting process.
- Provide direct supervision and mentorship to inpatient clinical managers to mentor
- Project manager for implementation of new HRIS system
- Collaborated with the medical team on creating and implementing a tele-psychiatry program.
- Responsible for training and supervising evening, night and weekend hospital supervisors

Clinical Manager

February 2013 to March 2017

Brattleboro Retreat – Brattleboro, Vermont

- Managed all aspects of day to day operations of a 22 bed adult inpatient co-occurring disorders unit.
- Increased patient satisfaction scores by an average of 4 points up into the 90s on multiple indicators on a non-Press Ganey tool utilized by the Ivy League hospitals. These scores are the highest among the 7 inpatient units in the organization.
- Increased staff engagement scores by an average of 40% on all indicators.
- Implemented a co-occurring disorders focused interactive journaling program.
- Facilitated and implemented a shared governance council.
- Participated in 2 hospital wide FEMA on medication errors and contraband as the nurse representative.
- Implemented hospital wide alcohol detox assessment protocol which eliminated using a homegrown tool to using the nationally validated Comprehensive Alcohol Withdrawal Assessment.
- Interim Manager of the Inpatient Children's Unit from December 2015 through August 2016. During this time I assisted staff in quality improvement projects focusing on points a system which incentivizes children to engage in appropriate behavior.
- Manger of the scheduling department from September 2014 to present.

Nurse Manager

May 2011 to February 2013

Dartmouth Hitchcock Medical Center – Lebanon, New Hampshire

- Ensured and improved clinical practices, services and operations by designing and implementing processes, procedures and methodologies to evaluate and improve patient care within assigned department.
- Managed clinical oversight for 21-bed medical/psychiatric inpatient unit and 10 bed partial hospitalization program.
- Successfully implemented Behavioral Activation Communication Model on inpatient units.
- Created and implemented a hospital wide patient disruptive behavior policy and procedure.
- Active in Hospital Engagement Network Falls Committee.
- Successfully obtained funds for unit reformation to ensure a safer environment for patients.

Charge Nurse

December 2008 to May 2011

Brattleboro Retreat – Brattleboro, Vermont

- Managed all aspects of LGBT unit during 3pm to 11pm shift including: patient assignment, conduct of report meeting, therapeutic groups, regulation of milieu, personnel, and administrative issues.
- Contributed to yearly and ongoing evaluation of nurses and mental health workers and support staff.
- Participated in institution-wide admissions process committee.
- Designed and facilitated unit trainings on patient safety, admissions process, and low stimulation area policy.

Staff Nurse

May 2008 to December 2008

Springfield Hospital – Springfield, Vermont

- Acted as patient advocate and implemented total patient care through a team nursing process covering 5-6 medical/surgical patients per shift.
- Obtained IV certification to insert peripheral lines.

Professional Credentials

- RN License: Vermont # 026.0042153
- RN License: New Hampshire # 064272-21
- Crisis Prevention Institute certification for management of aggressive behavior.
- Basic Life Support certification, American Heart Association

Education and Training

Vermont Technical College May 2008

Nursing

Associate's Degree

Affiliations

- International Association of Forensic Nurses
- American Psychiatric Nurses Association
- American Organization of Nurse Executives
- Journal of Nursing Administration
- Journal of Addictions Nursing

Additional Information

Community Service

- Culinary Coordinator Volunteer for the Strolling of the Heifers – a local food and farmer advocacy organization
- Brattleboro Memorial Hospital Health Fair
- Delaware Humane Society Volunteer
- Byrnes Health Education Center

Karli Shepherd, MS

[redacted]

Objective

I am looking to work closer with those who are struggling with chemical dependency and to grow professionally in this area.

Education

MASTERS | 2018 | WALDEN UNIVERSITY

- Major: Human and Social Services with a focus in Substance Abuse and Addiction Treatment

BACHELOR OF ARTS | 2013 | KEENE STATE COLLEGE

- Major: Psychology
- Related coursework: Early Childhood Development and Sociology

Skills & Abilities

LEADERSHIP

- While at the Patient Service Center within DHMC, I was a Team Lead for General Internal Medicine. I collaborated with the Practice Manager, Associate Practice Manager, and Administrative Supervisor and Master Scheduler and/or the immediate supervisor and other Team Leads to ensure the PSC ran smoothly and had all the up-to-date information regarding the GIM projects, schedules and providers. I am currently working within the Pain Management Clinic at APD as their primary clinical secretary resource. I collaborate with our three Pain Management Providers to ensure that clinic days run smoothly, while also collaborating with the other Clinical Support Representatives to ensure that they have the up-to-date information regarding providers and their schedules.

COMMUNICATION

- While I was the Patient Service Center's acting Team Lead for General Internal Medicine at DHMC, I attended frequent meetings on behalf of my team at the Patient Service Center. During these meetings I acted as the voice for the PSC, regarding my General Internal Medicine team, and communicated to the Practice Manager, Associate Practice Manager, and Administrative Supervisor, Master Scheduler and/or our immediate supervisor and other Team Leads any thoughts and questions the PSC may have had. Following these meetings I would communicate any received feedback to the PSC. Now working at APD, I attend meetings with the Practice Director, Administrative Supervisors, Administrative Surgical Scheduler and my fellow Clinical Support Representatives and communicate day-to-day information and feedback from providers, colleagues and patients. I have also been chosen to represent myself and my colleagues at APD's Safety Meetings.

TEAMWORK

- Since I was young teamwork has been a part of my life, from school projects or school sports to now in the working field. While working at the Patient Service Center, all of the individuals within the PSC, helped to achieve our goals, such as filling schedules, confirming appointments or following up on

patient records, as a team. Although I was the Team Lead for GIM, and worked on my own individual projects, I still worked collaboratively alongside my peers to create efficient work, as well as to cover anyone who was out ill or for an approved vacation day. This remains true while working at APD, as I take on different projects; along with help cover many different positions, including check-in, check-out, training and lab registration.

ADAPATABILITY

- The only constant is change. I am always open to new ideas and am ready to change and adapt as need be, to make sure things run smoothly in and out of the work place.

Experience

RESOURCE SPECIALIST | DARTMOUTH HITCHCOCK MEDICAL CENTER | 04/22/19 – PRESENT

- -assist clinicians and medical providers with resource needs
- -assist patients with resource needs and follow up as needed
- -keep excel spreadsheet of Doorway Flex Fund money spent on resource needs
  - -temporary housing
  - -residential services
  - -insurance
  - -food insecurity
  - -transportation
- -updates to Redcap regarding patients/resources
- -attend IOP groups regarding resource needs
- -getting and keeping up to date information from different community resources
- -assisting resource related 211 calls
- -provide backup coverage of 211 phone as needed

CLINICAL SUPPORT REPRESENTATIVE | ALICE PECK DAY MEMORIAL HOSPITAL | 11/27/17 – 04/12/2019

- -answer incoming calls for the Pain Management Clinic
- -manage Pain Management voicemails
- -schedule appointments for 16 providers in Greenway
- -send messages to 3 teams
- -schedule Treatment Room injections/appointments in both Greenway and Meditech
- -Treatment Room chart prep
- Prior authorizations for Treatment Room injections
- -print/fax/mail letters/records/results
- -assist/chaperon injections/EMG's
- -check out Pain Management patients in patient room
- -inform Pain Management patients of next steps/plans
- -receive/go over necessary information for MRI/EMG scheduling
- -manage incoming Pain Management referrals
- -manage outgoing referrals from the Pain Management clinic
- -check patients in and out at front office

- -next day check in prep
- -confirmation calls for EMG appointments
- -scout Pain Management schedules for early morning/weekly/monthly availability
- -scout Pain Management schedules for errors
- -scan records into patient charts
- -manage workers comp information/appointments and scan into chart

TEAM LEAD, PATIENT SERVICE REPRESENTATIVE | DARTMOUTH HITCHOCK MEDICAL CENTER | 06/09/14 - 11/17/17

- -answer incoming calls for GIM, Lyme, General Pediatrics and Heater Road clinic.
- -schedule visits for 154 providers
- -notify PCP if Pre-Operative appt scheduled with other than PCP
- -notify PCP if Hospital Check with other than PCP
- -Send messages to 23 teams
- -print/fax/mail letters/records/results
- -send cancelation emails to teams alerting them of canceled appointments to fill
- -manage recall lists for all sites
- -manage wait lists
- -onboard new patients (welcome packet, obtain records)
- -follow up on new patient records weekly
- -between call project work (update PCP)
- -GAPs in care work (schedule overdue colo, mammo, pneumovax, well child checks, Medicare Advantage)
- -confirmation calls for tomorrow's appointments
- -refill lines for Heater and GIM
- -scout schedules for early morning availability for next day
- -Daily Availability Report
- -scout schedules for errors

DIETETIC AIDE | DARTMOUTH HITCHOCK MEDICAL CENTER | 01/2011 - 06/2014

- -answer patient phone calls/orders
- -answer nurse calls for patient orders
- -managed patient's certain diets
- -went around to patient floors to take orders/deliver
- -print orders/run out orders
- -managed and delivered tube feeding to floors
- -managed breakfast/lunch/dinner and snacks
- -managed patient food orders for 20 different departments

J / W

Justin Wardell

Certified Recovery Support Worker / RC

[redacted]
[redacted]
[redacted]

SKILLS

- Perseverance
- Lived Experience & Education
- Crisis Management
- Motivational Interviewing
- Working within a Team

EDUCATION

Associates Degree / Addiction Counseling

New Hampshire Technical Institute (NHTI)

2015 - 2018

High school Diploma

Wilton / Lyndeborough Coop

2005-2009

ABOUT ME

My personal experiences with substance abuse has fueled my passion to work with others who struggle with the disease of addiction. I now use my lived experiences and education to help support others in their pursuit of life in recovery.

EXPERIENCE

Recovery Coach

Dartmouth-Hitchcock Medical Center / Lebanon, NH / Jan 2019 - Current

I work as a peer to support patients in their recovery journey. I help patients learn healthy coping skills, develop connections in the recovery community, and navigate the hurdles that come with both early and long-term recovery.

- Develop peer based recovery support relationships with patient in our program.
- Working with our clinicians to develop techniques that best support our patients in their recovery.
- Facilitating peer-support groups for the patients in our program.

Residential Program Assistant

Headrest / Lebanon, NH / 10/17 – 1/19

Working in this low-intensity residential treatment center I learned how to work with patients on a daily basis who strive for a life in recovery.

- Treatment Planning
- Case Management
- Group Facilitation.

Crisis Hotline Counselor

Headrest / Lebanon, NH / 10/17 – 1/19

Fielding calls for the National Suicide Help line, Local Crisis Line, and Teen Support Line.

- Working with callers to develop safety plans and healthy coping skills.
- Determining through lethality assessment whether to contact emergency services or connecting the caller to community resources.
- Importing data for each caller based on demographics, lethality assessment, referrals and statistical information.

Amy K. Modlin, LICSW, MPA, LMSW, CAADC

[redacted]

Education:

Master of Public Administration, Grand Valley State University, Grand Rapids, MI.

Master of Social Work, Grand Valley State University, Grand Rapids, MI.

- Member Phi Alpha Honor Society
- Native-American Policy Course/Native-American Service Learning Course

Certified Advanced Alcohol and Drug Counselor, Michigan.

Bachelor of Arts, Great Lakes Christian College, Lansing, MI.

- Psychology/Counseling and Family Life Education
- Summa Cum Laude/Delta Epsilon Chi Award/Honor Society of GLCC
- Class Vice President/Student Council Secretary

Professional Experience:

Dartmouth-Hitchcock Medical Center – Lebanon, NH (November 2019-Present)

SUD Therapist – DHMC Addiction Treatment Program

- Conduct SUD intake assessments, individual therapy, IOP, and outpatient group therapy.
- On-call clinician for the Doorway Hub and Spoke program.

Springfield Medical Care Systems – Springfield, VT (August 2017-November 2019)

Behavioral Health Therapist

- Integrated behavioral health and SUD treatment for individuals, couples, families.
- SBINS screening, assessment, brief intervention, and referrals for ED, WHC, CBC.
- MAT intake assessments, individual, and group therapy.

Moved to NH to help take care of a family member (November 2016-August 2017).

Pine Rest Christian Mental Health Services - Holland, MI (February 2012-November 2016)

Outpatient Therapist

- Outpatient therapy to individuals struggling with mental health and co-occurring disorders.
- Supervision to colleagues working on their CAADC certification.
- PMAD panel provider.
- On-call therapist for Pine Rest Detox unit.
- Member of the Recovery Fest Committee.

Pathways - Holland, MI (October 2010-February 2012)

Outpatient Therapist

- Outpatient therapy to individuals struggling with mental health and co-occurring disorders.
- Psycho-educational group therapy involving substance abuse, domestic violence, and recovery from trauma.
- Communication with probation officers, CPS workers, and foster care workers.

Harbor House - Holland, MI (July 2009- October 2010)

Residential Substance Abuse Therapist

- Individual and group therapy for women on issues of substance abuse, PTSD/trauma, and domestic violence.
- Communication with probation officers by providing assessments and monthly progress reports.

Mary Hitchcock Memorial Hospital

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ashley Flickinger	Clinic Nurse	$18,200	25%	$4,550
Karli Shepherd	Resource Specialist	$12,350	50%	$6,175
Justin Wardell	Recovery Coach	$10,520	50%	$5,260
Amy Modlin	Licensed Clinical Social Worker	$20,020	50%	$10,010

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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR BEHAVIORAL HEALTH

BUREAU OF DRUG AND ALCOHOL SERVICES

Jeffrey A. Meyers
Commissioner

Katja S. Fox
Director

105 PLEASANT STREET, CONCORD, NH 03301
603-271-6110 1-800-852-3345 Ext. 6738
Fax: 603-271-6105 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

November 14, 2018

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, Bureau of Drug and Alcohol Services, to enter into agreements with the vendors listed below, to provide comprehensive Medication Assisted Treatment, in an amount not to exceed $1,125,710, effective upon Governor and Executive Council approval through September 29, 2020. 100% Federal Funds.

Vendor Name	Vendor ID	Vendor Address	Amount
Harbor Homes, Inc.	155358	77 Northeastern Blvd, Nashua, NH 03062	$271,428
LRGHealthcare	177161	80 Highland St. Laconia, NH 003246	$271,428
Mary Hitchcock Memorial Hospital	177651	One Medical Center Drive Lebanon, NH 03756	$311,426
Riverbend Community Mental Health, Inc.	177192	278 Pleasant Street, Concord, NH 03302	$271,428
		Total	**$1,125,710**

Funds are available in the following account for State Fiscal Year (SFY) 2019, and are anticipated to be available in SFY 2020 and SFY 2021, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT.

SFY	Class/ Account	Class Title	Job Number	Total Amount
2019	102-500731	Contracts for Program Services	92057040	$562,627
2020	102-500731	Contracts for Program Services	92057040	$563,083
			Total	**$1,125,710**

EXPLANATION

The purpose of this request is for the provision of comprehensive Medication Assisted Treatment (MAT) using FDA-approved medications for individuals with Opioid Use Disorder (OUD) who require community-based services. These agreements also ensure the provision of services specifically designed for pregnant and postpartum women with OUD. There is an additional agreement that will be put forth at a later date.

These services are part of the State's accepted plan to the Substance Abuse and Mental Health Services Administration (SAMHSA) under the State Opioid Response (SOR) grant. This grant is being used to make critical investments in the substance use disorder system in order to reduce unmet treatment needs, reduce opioid overdose fatalities, and increase access to MAT over the next two (2) years.

The vendors will provide services to individuals with OUD in need of evidence-based MAT alongside necessary outpatient and wrap around services to support recovery. Vendors will provide MAT services to the general population as well as enhanced services for pregnant and postpartum women in need of additional supports to be successful in recovery including, but not limited to childcare, transportation and parenting education.

Unique to these services is a robust level of client-specific data that will be available, which will be collected in coordination with the nine (9) Regional Hubs that were approved by Governor and Executive Council at the October 31, 2018 meeting. The SOR grant requires that all individuals served receive a comprehensive assessment at several time intervals, specifically at intake, three (3) months, six (6) months and upon discharge. Through collaborative agreements with the Vendors under these contracts, the Regional Hubs will be responsible for gathering data on client-related outcomes including, but not limited to recovery status, criminal justice involvement, employment, and housing needs at the time intervals listed

above. This data will enable the Department to measure short and long-term outcomes associated with SOR-funded initiatives and to determine which programs are generating the best results for the clients served.

In addition to the client-level outcomes noted above, the following performance measures will be used to measure the effectiveness of the agreement:

- Fifty percent (50%) of individuals with OUD referred to the Vendor for MAT services receive at least three (3) clinically-appropriate, MAT-related services.
- One hundred percent (100%) of clients seeking services under this proposed contract that enter care directly through the Vendor, who consent to information sharing with the Regional Hub for OUD services, receive a Hub referral for ongoing care coordination.
- One hundred percent (100%) of clients referred to the Vendor by the Regional Hub for OUD services have proper consents in place for transfer of information for the purposes of data collection between the Hub and the Vendor.

A Request for Proposals was posted on The Department of Health and Human Services' web site from September 5, 2018 through September 26, 2018. The Department received six (6) proposals. The proposals were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The four (4) vendors listed in the Requested Action as well as Elliot Hospital who will be submitted at a later date were selected. The Score Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of these contracts, these agreements have the option to extend for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 and SFY 2022-2023 biennia.

Should the Governor and Executive Council not authorize this request, individuals with OUD in need of MAT and additional supports may have reduced access to services or increased likelihood of having to be placed on a waitlist to access care. This may result in a an increase of overdose fatalities during the waiting period and/or reduced motivation to seek help if it is unavailable to individuals when they are ready to seek assistance for OUD.

Area served: Integrated Delivery Network (IDN) Regions 1-5

Source of Funds: 100% Federal Funds from the Substance Abuse and Mental Health Services Administration, State Opioid Response Grant, (CFDA #93.788, FAIN TI081685)

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

Respectfully submitted,

Katja S. Fox
Director

Approved by:
Jeffrey A. Meyers
Commissioner

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT			
100% Federal Funds			
Activity Code: 92057040			
Harbor Homes			
Vendor # 155358			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -
		Subtotal	**$ 271,428.00**
LRG Healthcare			
Vendor # 177161			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -
		Subtotal	**$ 271,428.00**
Mary Hitchcock			
Vendor # 177651			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 155,485.00
2020	Contracts for Prog Svs	102-500731	$ 155,941.00
2021	Contracts for Prog Svs	102-500731	$ -
		Subtotal	**$ 311,426.00**
Riverbend Community Mental Health			
Vendor # 177192			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	
		Subtotal	**$ 271,428.00**
		TOTAL	**$ 1,125,710.00**

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

Medication Assisted Treatment
RFP Name

RFP-2019-BDAS-05-MEDIC
RFP Number

Bidder Name	Pass/Fail	Maximum Points	Actual Points
1. Elliot Health System		610	499
2. Harbor Homes, Inc.		610	501
3. LRGHealthcare		610	450
4. Mary Hitchcock Memorial Hospital		610	393
5. New Approaches, Inc.		610	132
6. Riverbend CMH, Inc.		610	477

Reviewer Names

1. Abby Shockley, Snr Policy Analyst, Substnc Use Srvs DBH
2. Regina Flynn, MAT-PDOA Project Coordinator, BDAS
3. Ann Collins, RN Public Health Nurse Coordnatr, BCHS-DPHS
4. Laurie Heath, Business Admin III, DBH/BDAS Finance
5.
6.
7.
8.

FORM NUMBER P-37 (version 5/8/15)

Subject: Medication Assisted Treatment (RFP-2019-BDAS-05-MEDIC-04)

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

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Mary Hitchcock Memorial Hospital		1.4 Contractor Address One Medical Center Drive Lebanon, NH 03756	
1.5 Contractor Phone Number 603-650-8960	1.6 Account Number 05-95-92-920510-7040 – 500731	1.7 Completion Date September 29, 2020	1.8 Price Limitation $311,426
1.9 Contracting Officer for State Agency Nathan D. White, Director Bureau of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature Edward J Merrens		1.12 Name and Title of Contractor Signatory Edward J. Merrens, MD Chief Clinical officer	

1.13 Acknowledgement: State of New Hampshire, County of Grafton

On November 1, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

[Seal]

1.13.2 Name and Title of Notary or Justice of the Peace

Laura Rondeau, Notary Public

1.14 State Agency Signature Date: 11/15/18	1.15 Name and Title of State Agency Signatory Katja S Fox, Director

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 11/16/2018

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials EM
Date 11-2-18

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

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

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

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

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

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

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

Contractor Initials
Date 11-2-18

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

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

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

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

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

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

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

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

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

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

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

Contractor Initials _____
Date 11-2-18

Scope of Services

1. Provisions Applicable to All Services

1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 and SFY 2022-2023 biennia.

1.4. For the purposes of this contract, the Contractor shall be identified as a subrecipient, in accordance with 2 CFR 200.0. *et seq.*

2. Scope of Work – Community Based

2.1. The Contractor shall provide comprehensive Medication Assisted Treatment (MAT) for individuals with opioid use disorder (OUD) in Integrated Delivery Network (IDN) Region 1, which is comprised of the Greater Monadnock, Greater Sullivan County, and Upper Valley areas. Comprehensive MAT shall include, but not be limited to delivering outpatient or intensive outpatient treatment to individuals with OUD in accordance with the American Society of Addition Medicine (ASAM) criteria.

2.2. The Contractor shall be a certified Opioid Treatment Program in accordance with He-A 304 if methadone is used for patients served under this contract.

2.3. The Contractor shall coordinate services with community-based agencies that provide non-SUD treatment services to individuals with OUD in need of additional human service agency services and supports.

2.4. The Contractor shall ensure patient-centered care and attention to overdose prevention by using tools, which include, but are not limited to:

2.4.1. Center for Disease Control (CDC) opioid prescribing guidelines.

2.4.2. Substance Abuse and Mental Health Services Administration's (SAMHSA's) Opioid Overdose Prevention Toolkit.

2.4.3. State published Guidance Document on Best Practices: Key Components for Delivering Community Based Medication Assisted Treatment Services for Opioid Use Disorders in New Hampshire.

2.5. The Contractor shall provide OUD treatment services that support the Resiliency and Recovery Oriented Systems of Care (RROSC) by operationalizing the Continuum of Care Model. (More information can be found at: http://www.dhhs.nh.gov/dcbcs/bdas/continuum-of-care.htm).

2.6. The Contractor shall provide interim OUD treatment services when the needed treatment services are not available to the client within forty-eight (48) hours of referral. Interim services shall include:

2.6.1. At least one sixty (60) minute individual or group outpatient session per week.

2.6.2. Recovery support services (RSS) as needed by the client.

2.6.3. Daily calls to the client to assess and respond to any emergent needs.

2.7. The Contractor shall ensure that clients are able to move seamlessly between levels of care within a group of services. At a minimum, the Vendors must:

2.7.1. Collaborate with the Continuum of Care Facilitator(s) in the development of a resiliency and recovery oriented system of care (RROSC) in the region(s) served.

2.7.2. Participate in the Regional Continuum of Care Workgroup(s).

2.7.3. Participate in the Integrated Delivery Network(s) (IDNs).

2.7.4. Coordinate all services delivered to clients with the local or other statewide Regional Hub(s) for OUD services (hereafter referred to as Hub(s)) including, but not limited to accepting clinical evaluation results for level of care placement from the Hub(s).

2.8. Before disclosing or re-disclosing any patient information, the Contractor shall ensure that all required patient consent or authorizations to disclose or further disclose confidential protected health information (PHI) or substance use disorder treatment information (SUD) according to all state rule, state and federal law and the special rules for redisclosure in 42 CFR part 2 have been obtained.

2.9. The Contractor shall modify their office electronic health record (EHR) and clinical work flow to ensure required screening activities by clinical staff and appropriate required data collection by care coordinators.

2.10. The Contractor shall establish and maintain formal and effective partnerships with behavioral health, OUD specialty treatment, and Recovery Support Services (RSS), and medical practitioners to meet the needs of the patients served.

2.11. The Contractor shall collaborate and develop formal referral and information sharing agreements with other providers that offer services to individuals with OUD, including the local Hub.

2.12. The Contractor shall communicate client needs with the Hub(s) to ensure client access to financial assistance through flexible needs funds managed by the Hub(s).

2.13. The Contractor shall maintain the infrastructure necessary to:

2.13.1. Achieve the goals of MAT expansion.

2.13.2. Meet SAMHSA requirements; and

2.13.3. Deliver effective medical care to patients served under this contract.

2.14. The Contractor shall actively participate in state-funded projects which include, but are not limited to:

2.14.1. "Community of Practice for MAT."

2.14.2. Project-specific trainings.

2.14.3. Quarterly web-based discussions.

2.14.4. On-site Technical Assistance (TA) visits.

2.14.5. Ad hoc communication with expert consultants on MAT clinical care topics such as Hepatitis C Virus (HCV) and Human Immunodeficiency Virus (HIV) prevention, diversion risk mitigation and other relevant issues.

2.15. The Contractor shall ensure compliance with confidentiality requirements which include, but are not limited to:

2.15.1. Federal and state laws and New Hampshire state administrative rules.

2.15.2. HIPAA Privacy Rule.

2.15.3. 42 C.F.R Part 2.

2.16. The Contractor shall have policies and procedures in place to ensure that all staff are trained in the areas listed in Subsection 2.15 and will safeguard all confidential information.

2.17. The Contractor shall participate in all evaluation activities associated with the funding opportunity, including national evaluations.

2.18. The Contractor shall use data to support quality improvement to ensure the standard of care for clients continuously improves.

2.19. The Contractor shall utilize the State's Prescription Drug Monitoring Program (PDMP) database to mitigate prescription drug diversion or harmful interactions.

2.20. The Contractor shall develop, obtain Department approval, and implement outreach and marketing activities specifically designed to engage the population(s) identified

in the community using MAT and wrap around services that are culturally appropriate and follow Culturally and Linguistically Appropriate Standards (CLAS) standards.

2.21. The Contractor shall ensure outreach and marketing activities include, but are not limited to:

2.21.1. Advertising the Addiction Treatment Program (ATP) on the Contractor's website.

2.21.2. Informing all internal and local potential referrers of service availability though networking.

2.21.3. Providing brochures, business cards, and posters to community organizations to increase awareness of services provided.

2.22. The Contractor shall assess, plan, implement, and have improvement measures for the program.

2.23. The Contractor shall ensure meaningful input of patients in program assessment, planning, implementation, and improvement through the use of a Patient Advisory Board consisting of patients in all stages of the recovery process.

2.24. The Contractor shall have billing capabilities which include, but are not limited to:

2.24.1. Enrolling with Medicaid and other third party payers.

2.24.2. Contracting with managed care organizations and insurance companies for MAT.

2.24.3. Having a proper understanding of the hierarchy of the billing process.

2.25. The Contractor shall assist patients with obtaining either on-site or off-site RSSs including, but not limited to:

2.25.1. Transportation.

2.25.2. Childcare.

2.25.3. Peer support groups.

2.25.4. Recovery coach.

2.26. The Contractor shall establish agreements with specialty treatment organizations that can provide higher levels of OUD treatment and co-occurring mental health treatment.

2.27. If training or other services on behalf of the Department involve the use of social media or a website which solicits information of individuals, the Contractor shall collaborate with the DHHS Communications Bureau to ensure that NH DoIT website requirements are met, and that any Protected Health Information (PHI), Substance Use Disorder treatment data (SUD), Personal Information (PI), or other confidential

information solicited shall not be maintained, stored or captured and shall not be further disclosed except as expressly provided in the contract.

2.28. Unless specifically required by the contract and unless clear notice is provided to users of the website or social media, the Contractor shall ensure site visitation will not be tracked, disclosed or used for website or social media analytics or marketing.

3. Additional Scope of Services for Pregnant and Postpartum Women

3.1. The Contractor shall provide trauma-informed services and supports to pregnant and postpartum women up to twelve (12) months postpartum including, but not limited to:

3.1.1. The Mom's in Recovery program which offers integrated, trauma-informed obstetric, pediatric and MAT services for pregnant women with Substance Use Disorder (SUD) and co-occurring mental health disorders.

3.1.2. Northern New England Perinatal Quality Improvement Network (NNEPQIN) toolkit use to ensure patient-centered, effective, integrated care with attention to the risk of overdose.

3.2. The Contractor shall ensure patient-centered, effective, integrated care and attention to overdose prevention by using tools that include, but are not limited to, care guidelines for Obstetric and Gynecologic (OB/GYN) providers and delivery hospitals developed by the Northern New England Perinatal Quality Improvement Network (NNEPQIN), when applicable.

3.3. The Contractor shall ensure ongoing communication and care coordination with entities involved in the patient's care including, but not limited to, child protective services, treatment providers, and home visiting services, when applicable.

3.4. The Contractor shall ensure that treatment is provided in a child-friendly environment with RSS available to participants including, but not limited to:

3.4.1. Employing a co-located child 'Play Time', where children engage in developmentally appropriate play while their mothers participate in group treatment and receive care without distraction.

3.4.2. On-site well-child care which may lead to referrals from the Contractor to early development supports including, but not limited to, Early Intervention, home visitation programs, and WIC.

3.5. The Contractor shall participate in the development of an infant Plan of Safe Care (POSC) with birth attendants, the infant's parents or guardians, and the Department for each infant affected by illicit substance use, withdrawal symptoms, or a Fetal Alcohol Spectrum Disorder in order to:

3.5.1. Ensure the safety and well-being of the infant.

3.5.2. Address the health and opioid use treatment needs of the infant and affected family members or caregivers.

3.5.3. Ensure that appropriate referrals are made.

3.5.4. Ensure services are delivered to the infant and affected family members or caregivers.

3.6. The Contractor shall provide social, educational, and emotional supports to address parenting and infant care needs including, but not limited to:

3.6.1. Accessing the services of the Family Resource Centers, which includes, but is not limited to:

3.6.1.1. Home visiting.

3.6.1.2. Lactation support.

3.6.1.3. Case management.

3.6.2. Providing parent education groups to program participants on a regular basis which integrate the parenting education curriculum with addiction treatment, so that participants have the opportunity to learn about the impact of substance use on family functioning and healthy child development.

3.6.3. Employing social workers specifically trained in the Circle of Security parent education curriculum, an evidence-based/ evidence-informed early intervention program that promotes parent/child attachment, as well as the Nurturing Program for Families in Substance Abuse Treatment and Recovery curriculum (http://nurturingparenting.com).

3.6.4. Providing educational sessions to all pregnancy groups which includes, but is not limited to the "The Period of Purple Crying" as well as safe sleep practices and car seat safety. This training shall be integrated with newborn nursery and outpatient pediatric follow up.

3.6.5. Working closely with Continuum of Care Coordinators as part of the Region 1 Integrated Delivery Network (IDN).

3.6.6. Participating in the Boyle Program at Dartmouth Hitchcock, which cosponsors and facilitates the Child Focus Forum, a bi-monthly collaborative of medical, governmental and community agencies serving parents and children.

3.6.7. Sponsoring co-location of resources such as a food pantry, infant books, and diaper bank through active partnerships with community agencies such as The Upper Valley Haven and The Family Place.

3.7. The Contractor shall provide parenting supports to patients including, but not limited to:

3.7.1. Parenting groups.

3.7.2. Childbirth education.

3.7.3. Safe sleep education.

3.7.4. Well child education.

3.8. The Contractor shall provide trauma-informed services and supports to pregnant and postpartum women.

4. Staffing

4.1. The Contractor shall meet the minimum MAT team staffing requirements which includes, but is not limited to at least one (1):

4.1.1. Waivered prescriber.

4.1.2. Masters Licensed Alcohol and Drug Counselor (MLADC); or master licensed behavioral health provider with addiction training.

4.1.3. Care coordinator.

4.1.4. Non-clinical/administrative staff.

4.2. The Contractor shall ensure that all unlicensed staff providing treatment, education, and/or RSS:

4.2.1. Are under the direct supervision of a licensed supervisor.

4.2.2. Receive confidentiality training pursuant to vendor policies and procedures in compliance of NH State administrative rule, and state and federal laws.

4.3. The Contractor shall ensure that no licensed supervisor supervises more than twelve (12) unlicensed staff, unless the Department has approved an alternative supervision plan.

4.4. The Contractor shall ensure that unlicensed staff providing clinical or RSS hold a CRSW within twelve (12) months of hire or from the effective date of this contract, whichever is later.

5. Training

5.1. The Contractor shall ensure the availability of initial and on-going training resources to all staff to include buprenorphine waiver training for interested physicians, nurse practitioners, and physician assistants.

5.2. The Contractor shall develop a plan, for Department approval, to train and engage appropriate staff regarding buprenorphine waiver training.

5.3. The Contractor shall participate in training and technical assistant activities as directed by the Department including, but not limited to the Community of Practice for MAT which may include, but is not limited to:

5.3.1. Project-specific trainings, including trainings on coordinating client referrals for collection of data through the Government Performance and Results Modernization Act of 2010 (GPRA).

5.3.2. Quarterly web-based discussions.

5.3.3. On-site technical assistance visits.

5.3.4. Ad hoc communication with expert consultants regarding MAT clinical care topics including, but not limited to:

5.3.4.1. HCV and HIV prevention.

5.3.4.2. Diversion risk mitigation.

5.3.4.3. Other relevant issues.

5.4. The Contractor shall train staff as appropriate on relevant topics including, but not limited to:

5.4.1. MAT (e.g. prescriber training for buprenorphine).

5.4.2. Care coordination.

5.4.3. Trauma-informed wrap around care/RSS delivery best practices.

5.4.4. Evidence-Based Practices (EBPs) such as Screening, Brief Intervention, and Referral to Treatment (SBIRT), Cognitive Behavioral Therapy (CBT), and other training needs.

5.4.5. Safeguarding protected health information (PHI), substance use disorder treatment information (SUD) and any individually identifiable patient information.

6. Reporting and Deliverable Requirements

6.1. The Contractor shall coordinate the sharing of client data and service needs with the Hub(s) to ensure that each patient served has a GPRA interview completed at intake, three (3) months, six (6) months, and discharge.

6.2. The Contractor shall gather and submit de-identified, aggregate patient data to the Department quarterly using a Department-approved method. The data collected will include, but not be limited to:

6.2.1. Diagnoses.

6.2.2. Demographic characteristics.

6.2.3. Substance use.

6.2.4. Services received.

6.2.5. Types of MAT received.

6.2.6. Length of stay in treatment.

6.2.7. Employment status.

6.2.8. Criminal justice involvement.

6.2.9. Housing.

6.3. The Contractor shall report quarterly on federally required data points specific to this funding opportunity as identified by SAMHSA.

6.4. The Contractor shall provide a final report with de-identified, aggregate data to the Department within thirty (30) days of the termination of the contract regarding work plan progress including, but not limited to:

6.4.1. Policies and practices established.

6.4.2. Outreach activities.

6.4.3. Demographics (gender, age, race, ethnicity) of population served.

6.4.4. Outcome data (as directed by the Department).

6.4.5. Patient satisfaction findings.

6.4.6. Description of challenges encountered and action taken.

6.4.7. Other progress to date.

6.4.8. A sustainability plan to continue to provide MAT services to the target population(s) beyond the completion date of the contract, subject to approval by the Department.

7. Performance Measures

7.1. The Contractor shall ensure that 50% of individuals with OUD referred to the Contractor for MAT services receive at least three (3) clinically-appropriate, MAT-related services.

7.2. The Contractor shall ensure that 100% of patients referred by other Hub(s) or service providers for OUD services have proper consents in place for transfer of information for the purposes of data collection between the Hub(s), other service providers and the Contractor.

1. General

1.1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

1.2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded Contractor's current and/or future funding.

1.3. This contract is funded with funds from the US Department of Health and Human Services, Substance Abuse and Mental Health Administration, Catalog of Federal Domestic Assistance (CFDA #) 93.788.

1.4. The Contractor shall keep detailed records of their activities related to Department-funded programs and services.

1.5. Payment for said services shall be made monthly as follows:

1.5.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item.

1.5.2. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment.

1.5.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

1.5.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

1.5.5. In lieu of hard copies, all invoices shall be assigned an electronic signature and emailed to Abby.Shockley@dhhs.nh.gov.

1.5.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.

1.6. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining further approval from the Governor and Executive Council.

1.7. The Contractor shall provide a final budget for State Fiscal Year 2021 no later than March 31, 2020 for Department approval, which shall be submitted for Governor and Executive Council approval no later than June 30, 2020.

2. State Opioid Response (SOR) Grant Standards

2.1. In order to receive payments for services provided through SOR grant funded initiatives, the Contractor shall establish formal information sharing and referral agreements with all Hubs that comply with all applicable confidentiality laws, including 42 CFR Part 2.

2.2. The Contractor shall complete patient referrals to applicable Hubs for substance use disorder services within two (2) business days of a client's admission to the program.

2.3. The Contractor shall not receive payment for any invoices for services provided through SOR grant funded initiatives until the Department verifies that the Contractor has completed all required patient referrals; verification of patient referrals shall be completed through the New Hampshire Web Information Technology System (WITS) and through audits of Contractor invoices.

2.4. The Contractor shall ensure that only FDA-approved MAT for OUD is utilized. FDA-approved MAT for OUD includes:

2.4.1. Methadone.

2.4.2. Buprenorphine products, including:

2.4.2.1. Single-entity buprenorphine products.

2.4.2.2. Buprenorphine/naloxone tablets,

2.4.2.3. Buprenorphine/naloxone films.

2.4.2.4. Buprenorphine/naloxone buccal preparations.

2.4.2.5. Long-acting injectable buprenorphine products.

2.4.2.6. Buprenorphine implants.

2.4.2.7. Injectable extended-release naltrexone.

2.5. The Contractor shall only provide medical withdrawal management services to any individual supported by SOR Grant Funds if the withdrawal management service is accompanied by the use of injectable extended-release naltrexone, as clinically appropriate.

2.6. The Contractor shall provide the Department with timelines and implementation plans associated with SOR funded activities to ensure services are in place within thirty (30) days of the contract effective date.

2.6.1. If the Contractor is unable to offer services within the required timeframe, the Contractor shall submit an updated implementation plan to the Department for approval to outline anticipated service start dates.

2.6.2. The Department reserves the right to terminate the contract and liquidate unspent funds if services are not in place within ninety (90) days of the contract effective date.

2.7. The Contractor shall ensure that patients receiving financial aid for recovery housing utilizing SOR funds shall only be in a recovery housing facility that is aligned with the National Alliance for Recovery Residences standards and registered with the State of New Hampshire, Bureau of Drug and Alcohol Services in accordance with current NH Administrative Rules.

2.8. The Contractor shall assist patients with enrolling in public or private health insurance, if the client is determined eligible for such coverage.

2.9. The Contractor shall accept patients for MAT and facilitate access to MAT on-site or through referral for all clients supported with SOR Grant funds, as clinically appropriate.

2.10. The Contractor shall coordinate with the NH Ryan White HIV/AIDs program for patients identified as at risk of or with HIV/AIDS.

2.11. The Contractor shall ensure that all patients are regularly screened for tobacco use, treatment needs and referral to the QuitLine as part of treatment planning.

3. Maintenance of Fiscal Integrity

3.1. In order to enable DHHS to evaluate the Contractor's fiscal integrity, the Contractor agrees to submit to DHHS monthly, the Balance Sheet, Profit and Loss Statement, and Cash Flow Statement for the Contractor. The Profit and Loss Statement shall include a budget column allowing for budget to actual analysis. Statements shall be submitted within thirty (30) calendar days after each month end. The Contractor will be evaluated on the following:

3.1.1. Days of Cash on Hand:

3.1.1.1. Definition: The days of operating expenses that can be covered by the unrestricted cash on hand.

3.1.1.2. Formula: Cash, cash equivalents and short term investments divided by total operating expenditures, less depreciation/amortization and in-kind plus principal payments on debt divided by days in the reporting period. The short-term investments as used above must mature within three (3) months and should not include common stock.

3.1.1.3. Performance Standard: The Contractor shall have enough cash and cash equivalents to cover expenditures for a minimum of thirty (30) calendar days with no variance allowed.

3.1.2. Current Ratio:

3.1.2.1. Definition: A measure of the Contractor's total current assets available to cover the cost of current liabilities.

3.1.2.2. Formula: Total current assets divided by total current liabilities.

3.1.2.3. Performance Standard: The Contractor shall maintain a minimum current ratio of 1.5:1 with 10% variance allowed.

3.1.3. Debt Service Coverage Ratio:

3.1.3.1. Rationale: This ratio illustrates the Contractor's ability to cover the cost of its current portion of its long-term debt.

3.1.3.2. Definition: The ratio of Net Income to the year to date debt service.

3.1.3.3. Formula: Net Income plus Depreciation/Amortization Expense plus Interest Expense divided by year to date debt service (principal and interest) over the next twelve (12) months.

3.1.3.4. Source of Data: The Contractor's Monthly Financial Statements identifying current portion of long-term debt payments (principal and interest).

3.1.3.5. Performance Standard: The Contractor shall maintain a minimum standard of 1.2:1 with no variance allowed.

3.1.4. Net Assets to Total Assets:

3.1.4.1. Rationale: This ratio is an indication of the Contractor's ability to cover its liabilities.

3.1.4.2. Definition: The ratio of the Contractor's net assets to total assets.

3.1.4.3. Formula: Net assets (total assets less total liabilities) divided by total assets.

3.1.4.4. Source of Data: The Contractor's Monthly Financial Statements.

3.1.4.5. Performance Standard: The Contractor shall maintain a minimum ratio of .30:1, with a 20% variance allowed.

3.2. In the event that the Contractor does not meet either:

3.2.1. The standard regarding Days of Cash on Hand and the standard regarding Current Ratio for two (2) consecutive months; or

3.2.2. Three (3) or more of any of the Maintenance of Fiscal Integrity standards for three (3) consecutive months, then

3.2.3. The Department may require that the Contractor meet with Department staff to explain the reasons that the Contractor has not met the standards.

3.2.4. The Department may require the Contractor to submit a comprehensive corrective action plan within thirty (30) calendar days of notification that 8.2.1 and/or 8.2.2 have not been met.

3.2.4.1. The Contractor shall update the corrective action plan at least every thirty (30) calendar days until compliance is achieved.

3.2.4.2. The Contractor shall provide additional information to assure continued access to services as requested by the Department. The Contractor shall provide requested information in a timeframe agreed upon by both parties.

3.3. The Contractor shall inform the Department by phone and by email within twenty-four (24) hours of when any key Contractor staff learn of any actual or likely litigation, investigation, complaint, claim, or transaction that may reasonably be considered to have a material financial impact on and/or materially impact or impair the ability of the Contractor to perform under this Agreement with the Department.

3.4. The monthly Balance Sheet, Profit & Loss Statement, Cash Flow Statement, and all other financial reports shall be based on the accrual method of accounting and include the Contractor's total revenues and expenditures whether or not generated by or resulting from funds provided pursuant to this Agreement. These reports are due within thirty (30) calendar days after the end of each month.

New Hampshire Department of Health and Human Services

Bidder/Program Name: Mary Hitchcock Memorial Hospital

Budget Request for: Medication Assisted Treatment - RFP-2019-BDAS-05-MEDIC

Budget Period: SFY 19 (Upon G&C approval - June 30, 2019)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 78,154	$ 22,313	$ 98,467	$ -	$ -	$ -	$ 78,154	$ 22,313	$ 98,467
2. Employee Benefits	$ 23,677	$ 6,937	$ 30,614	$ -	$ -	$ -	$ 23,677	$ 6,937	$ 30,614
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ 9,920	$ 2,907	$ 12,827	$ -	$ -	$ -	$ 9,920	$ 2,907	$ 12,827
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ 5,000	$ 1,485	$ 6,485	$ -	$ -	$ -	$ 5,000	$ 1,485	$ 6,485
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 5,500	$ 1,612	$ 7,112	$ -	$ -	$ -	$ 5,500	$ 1,612	$ 7,112
12. Subcontracts/Agreements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 120,251	$ 35,234	$ 155,485	$ -	$ -	$ -	$ 120,251	$ 35,234	$ 155,485
Indirect As A Percent of Direct		29.3%							

Contractor Initials ____

Date 11-2-18

New Hampshire Department of Health and Human Services

Contractor Name: Mary Hitchcock Memorial Hospital

Budget Request for: Medication Assisted Treatment - RFP-2019-BDAS-05-MEDIC

Budget Period: SFY20 (July 1, 2019 - June 30, 2020)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 92,000	$ 26,956	$ 118,956	$ -	$ -	$ -	$ 92,000	$ 26,956	$ 118,956
2. Employee Benefits	$ 28,604	$ 8,381	$ 36,985	$ -	$ -	$ -	$ 28,604	$ 8,381	$ 36,985
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12. Subcontracts/Agreements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 120,604	$ 35,337	$ 155,941	$ -	$ -	$ -	$ 120,604	$ 35,336.97	$ 155,941
Indirect As A Percent of Direct		29.3%							

Contractor Initials

Date 11-2-18

SPECIAL PROVISIONS

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

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:

   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:

8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.

9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
    11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
    11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
    13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

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

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, $150,000)

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

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

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

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

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

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

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

19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed

19.5. DHHS shall, at its discretion, review and approve all subcontracts.

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

20. **Contract Definitions:**

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

20.2. DEPARTMENT: NH Department of Health and Human Services.

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

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

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

20.6. SUPPLANTING OTHER FEDERAL FUNDS: Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

Contractor Initials

Date 11-2-18

REVISIONS TO STANDARD CONTRACT LANGUAGE

1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

4. Conditional Nature of Agreement.

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

1.2. Section 10, Termination, is amended by adding the following language:

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

2. Revisions to Standard Exhibits

2.1 Exhibit C, Special Provisions, Paragraph 10, Confidentiality of Records, is deleted and is replaced as follows:

The Contractor is a covered entity as defined under the Health Insurance Portability and Accountability Act (HIPAA), 45 CFR 160, 162 and 164, and shall comply with all confidentiality requirements and safeguards set forth in state and federal law and rules. The Contractor is also a substance use disorder provider as defined under 42 CFR Part 2 and shall safeguard confidential information as required. The Contractor shall ensure compliance with all consent and notice requirements prohibiting the redisclosure of confidential information in accordance with 42 CFR Part 2.

All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the disclosure of any protected health information shall be in accordance with the regulatory provisions of HIPAA, 42 CFR Part 2, and applicable state and federal laws and rules. Further, the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, their attorney or guardian. Notwithstanding anything to the contrary contained herein, the covenants and conditions contained in this Paragraph 10 of Exhibit C shall survive the termination of the Contract for any reason whatsoever.

2.2. Exhibit I, Health Insurance Portability Act, Business Associate Agreement, is deleted in its entirety.

3. Renewal

3.1. The Department reserves the right to extend this Agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

Contractor Initials

Date 11-2-18

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

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Contractor Name:

11-2-18
Date

Name: Edward J Mercens
Title: Chief Clinical Officer

CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name:

11-2-18
Date

Name: Edward J. Mercens
Title: Chief Financial Officer

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

11-2-18
Date

Name: Edward J. Merrens
Title: Chief Clinical Officer

Contractor Initials EJM

Date 11-2-18

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

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

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

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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

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

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

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

Contractor Name:

11-2-18
Date

Name: Edward J. Merrens
Title: Chief Clinical Officer

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

11-2-18
Date

Name: Edward J. Merrens
Title: Chief Clinical Officer

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

Pursuant to Exhibit C-1 of this Agreement, Exhibit I is not applicable.

Remainder of page intentionally left blank.

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

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

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

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

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

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

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

Contractor Name:

11-2-18
Date

Name: Edward J. Merrens
Title: Chief Clinical Officer

FORM A

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

1. The DUNS number for your entity is: 069910297

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

   ✓ NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name:_____ Amount: _____

   Name:_____ Amount: _____

   Name:_____ Amount: _____

   Name:_____ Amount: _____

   Name:_____ Amount: _____

A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information," "Confidential Data," or "Data" (as defined in Exhibit K), means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

   Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.

5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

6. "Incident" means an act that potentially violates a security policy, which includes successful attempts) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or

storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic documents or mail.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.

8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information

except as required or permitted under this Contract or required by law. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

2. The Contractor must not disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.
3. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If Contractor is transmitting DHHS Data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. Contractor may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS Data.
3. Encrypted Email. Contractor may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If Contractor is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. Contractor may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. Contractor may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If Contractor is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. Contractor may not transmit Confidential Data via an open wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If Contractor is employing remote communication to access or transmit Confidential Data, a secure method of transmission or remote access, which complies with the terms and conditions of Exhibit K, must be used.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If Contractor is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If Contractor is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain DHHS Data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have thirty (30) days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or, if it is infeasible to return or destroy DHHS Data, protections are extended to such information, in accordance with the termination provisions in this Section. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems accessed or utilized for purposes of carrying out this contract.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting DHHS Confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have

currently-supported and hardened operating systems, current, updated, and maintained anti-malware (e.g. anti-viral, anti-hacker, anti-spam, anti-spyware) utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

If the Contractor maintains any Confidential Information on its systems (or its sub-contractor systems) and it has not done so previously, the Contractor will implement policies and procedures to ensure that any storage media on which such data maybe recorded will be rendered unreadable and that the data will be un-recoverable when the storage media is disposed of. Upon request, the Contractor will provide the Department with copies of these policies and with written documentation demonstrating compliance with the policies. The written documentation will include all details necessary to demonstrate data contained in the storage media has been rendered unreadable and un-recoverable. Where applicable, regulatory and professional standards for retention requirements may be jointly evaluated by the State and Contractor prior to destruction.

1. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from

creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

4. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will ensure End-User will maintain an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.

5. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.

6. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

7. The Contractor will not store any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.

8. Data Security Breach Liability. In the event of any computer security incident, incident, or breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

9. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of, HIPAA Privacy and Security Rules (45 C.F.R. Parts 160

Contractor Initials

and 164) and 42 C.F.R. Part 2 that govern protections for individually identifiable health information and as applicable under State law.

10. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at https://www.nh.gov/doit/vendor/index.htm for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.

11. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer, and additional email addresses provided in Section VI, of any security breach within 24-hours of the time that the Contractor learns of its occurrence. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

12. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.

13. The Contractor is responsible for End User oversight and compliance with the terms and conditions of the contract and Exhibit K.

DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer, Information Security Office and Program Manager of any Security Incidents and Breaches within 24- hours of the time that the Contractor learns of their occurrence.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with DHHS's documented Incident Handling and Breach Notification procedures and in accordance with– the HIPAA, Privacy and Security Rules. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and

procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS contact for Data Management or Data Exchange issues:
DHHSInformationSecurityOffice@dhhs.nh.gov

B. DHHS contacts for Privacy issues:
DHHSPrivacyOfficer@dhhs.nh.gov

C. DHHS contact for Information Security issues:
DHHSInformationSecurityOffice@dhhs.nh.gov

D. DHHS contact for Breach notifications:
DHHSInformationSecurityOffice@dhhs.nh.gov
DHHSPrivacyOfficer@dhhs.nh.gov

State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Medication Assisted Treatment

This 1st Amendment to the Medication Assisted Treatment contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Riverbend Community Mental Health, Inc., (hereinafter referred to as "the Contractor"), a nonprofit organization with a place of business at 278 Pleasant Street, Concord, NH 03302.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 5, 2018 (Item #22), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

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

WHEREAS, the parties agree to extend the term of the agreement, 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 B-1, Budget Period: SFY 19 (G&C Approval – 6/30/2019) by reducing the total budget amount by $33,928, which is identified as unspent funding that is being carried forward to fund the activities in this Agreement for SFY 21 (July 1, 2020 through September 29, 2020), as specified in Exhibit B-3 Amendment #1 Budget, with no change to the contract price limitation.

2. Add Exhibit B-3 Amendment #1 Budget, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 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

6-2-2020
Date

Name: Christine Tappan
Title: Associate Commissioner

Riverbend Community Mental Health, Inc.

5/26/20
Date

Name: Lisa K. Madden
Title: President & CEO

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

OFFICE OF THE ATTORNEY GENERAL

06/08/20
Date

Catherine Pinos
Name:
Title: Catherine Pinos, 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:

New Hampshire Department of Health and Human Services
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Contractor name: Riverbend Community Mental Health, Inc

Budget Request for: Medication Assisted Treatment

Budget Period: July 1, 2020 to September 29, 2020

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 13,250.00	$ -	$ 13,250.00	$ -	$ -	$ -	$ 13,250.00	$ -	$ 13,250.00
2. Employee Benefits	$ 4,228.00	$ -	$ 4,228.00	$ -	$ -	$ -	$ 4,228.00	$ -	$ 4,228.00
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 200.00	$ -	$ 200.00	$ -	$ -	$ -	$ 200.00	$ -	$ 200.00
12. Subcontracts/Agreements	$ 6,250.00	$ -	$ 6,250.00	$ -	$ -	$ -	$ 6,250.00	$ -	$ 6,250.00
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Indirect As A Percent of Direct	$ 10,000.00	$ -	$ 10,000.00	$ -	$ -	$ -	$ 10,000.00	$ -	$ 10,000.00
Narcan	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Recovery Vouchers	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 33,928.00	$ -	$ 33,928.00	$ -	$ -	$ -	$ 33,928.00	$ -	$ 33,928.00
Indirect As A Percent of Direct		0.0%							

Contractor Initials LKA
Date 5/26/20

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that RIVERBEND COMMUNITY MENTAL HEALTH, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 25, 1966. 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: **62509**
Certificate Number: **0004885005**

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 6th day of April A.D. 2020.

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Andrea D. Beaudoin, do hereby certify that:

1. I am the duly elected Assistant Board Secretary of Riverbend Community Mental Health, Inc.

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Corporation duly held on February 27, 2020.

   RESOLVED: That the President and/or Treasure is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolution has not been amended or revoked, and remain in full force and effect as of the 26th day of May, 2020.

4. Lisa K. Madden is duly elected President & CEO of the Corporation.

Andrea D Beaudoin
Signature of Assistant Secretary

State of New Hampshire

County of Merrimack

The forgoing instrument was acknowledged before me this 26 day of May, 2019 by Andrea D. Beaudoin.

COURTNEY R. STRYKE
NOTARY PUBLIC
NEW HAMPSHIRE
MY COMMISSION EXPIRES
DEC. 5, 2023

(Notary Public/Justice of the Peace)

Commission Expires: 12/5/23

Client#: 1364844 RIVERCOM12

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/06/2020

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

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

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Philadelphia Indemnity Insurance Co.	18058
INSURER B : Granite State Healthcare & Human Svc WC	NONAIC
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Riverbend Community Mental Health Inc.
278 Pleasant Street
Concord, NH 03301

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT X LOC OTHER:			PHPK2042932	10/01/2019	10/01/2020	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$1,000,000 $100,000 $5,000 $1,000,000 $3,000,000 $3,000,000
A	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			PHPK2042929	10/01/2019	10/01/2020	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$1,000,000 $ $ $
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ $10K			PHUB695250	10/01/2019	10/01/2020	EACH OCCURRENCE AGGREGATE	$10,000,000 $10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		HCHS20200000230 HCHS20200000228	02/01/2020 02/01/2020	02/01/2021 02/01/2021	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$1,000,000 $1,000,000 $1,000,000
	Professional Liability			PHPK2042932	10/01/2019	10/01/2020	$1,000,000 Ea. Incident $3,000,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Amy Jaskolka, LCMHC, MS- Start date 3/11/2013.

CERTIFICATE HOLDER

State of New Hampshire,
Department of Health and Human Services
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

BTRZP

RIVERBEND
COMMUNITY MENTAL HEALTH, INC.

Mission

We care for the mental health of our community.

Vision

- *We provide responsive, accessible, and effective mental health services.*
- *We seek to sustain mental health and promote wellness.*
- *We work as partners with consumers and families.*
- *We view recovery and resiliency as an on-going process in which choice, education, advocacy, and hope are key elements.*
- *We are fiscally prudent and work to ensure that necessary resources are available to support our work, now and in the future.*

Values

- *We value diversity and see it as essential to our success.*
- *We value staff and their outstanding commitment and compassion for those we serve.*
- *We value quality and strive to continuously improve our services by incorporating feedback from consumers, families and community stakeholders.*
- *We value community partnerships as a way to increase connections and resources that help consumers and families achieve their goals.*

Revised 8-23-07

Riverbend Community Mental Health, Inc.

FINANCIAL STATEMENTS

June 30, 2019

Riverbend Community Mental Health, Inc.
TABLE OF CONTENTS
June 30, 2019

KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Riverbend Community Mental Health, Inc.
Concord, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of Riverbend Community Mental Health, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and 2018, and the related statements of operations and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 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 financial statements referred to above present fairly, in all material respects, the financial position of Riverbend Community Mental Health, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on Pages 17 through 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Effect of Adopting New Accounting Standard

As discussed in Note 16 to the financial statements, the Organization conformed to ASU 2016-14, change in accounting principal. The change was adopted retroactively. Our opinion is not modified with respect to that matter.

Other Matters

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2019, on our consideration of Riverbend Community Mental Health, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Riverbend Community Mental Health, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Riverbend Community Mental Health, Inc.'s internal control over financial reporting and compliance.

Kittell, Branagan + Sargent

St. Albans, Vermont
September 18, 2019

Riverbend Community Mental Health, Inc.
STATEMENTS OF FINANCIAL POSITION
June 30,

ASSETS

	2019	2018
CURRENT ASSETS		
Cash and cash equivalents	$ 2,392,018	$ 2,926,405
Client service fees receivable, net	1,929,981	1,221,980
Other receivables	1,430,061	501,028
Investments	7,718,954	7,580,964
Prepaid expenses	107,016	89,261
Tenant security deposits	26,286	23,836
TOTAL CURRENT ASSETS	13,604,316	12,343,474
PROPERTY & EQUIPMENT, NET	12,344,584	10,441,620
OTHER ASSETS		
Interest rate swap	-	50,135
Investment in Behavioral Information Systems	105,125	101,340
TOTAL OTHER ASSETS	105,125	151,475
TOTAL ASSETS	$ 26,054,025	$ 22,936,569

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 314,218	$ 281,650
Accrued expenses	1,148,220	566,806
Tenant security deposits	26,286	23,961
Accrued compensated absences	766,213	723,251
Current portion of long-term debt	229,808	200,000
Deferred revenue	27,362	68,170
TOTAL CURRENT LIABILITIES	2,512,107	1,863,838
LONG-TERM LIABILITIES		
Long-term debt, less current portion	7,505,192	6,535,000
Unamortized debt issuance costs	(248,865)	(274,759)
Long-term debt, net of unamortized debt issuance costs	7,256,327	6,260,241
Interest rate swap liability	155,125	-
TOTAL LONG-TERM LIABILITIES	7,411,452	6,260,241
NET ASSETS		
Net Assets without donor restrictions	13,441,914	12,050,820
Net Assets with donor restrictions	2,688,552	2,761,670
TOTAL NET ASSETS	16,130,466	14,812,490
TOTAL LIABILITIES AND NET ASSETS	$ 26,054,025	$ 22,936,569

See Accompanying Notes to Financial Statements.

Riverbend Community Mental Health, Inc.
STATEMENTS OF OPERATIONS
For the Years Ended June 30,

	2019			
	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	All Funds	2018
PUBLIC SUPPORT AND REVENUES				
Public support -				
Federal	$ 1,669,950	$ -	$ 1,669,950	$ 609,347
State of New Hampshire – BBH	1,415,132	3,260	1,418,392	1,598,676
In-kind donations	170,784	-	170,784	170,784
Contributions	158,523	-	158,523	104,724
Other	740,599	-	740,599	789,533
Total Public Support	4,154,988	3,260	4,158,248	3,273,064
Revenues -				
Client service fees, net of provision for bad debts	23,739,832	-	23,739,832	20,872,012
Other	5,396,063	-	5,396,063	4,778,125
Net assets released from restrictions	96,431	(96,431)	-	-
Total Revenues	29,232,326	(96,431)	29,135,895	25,650,137
TOTAL PUBLIC SUPPORT AND REVENUES	33,387,314	(93,171)	33,294,143	28,923,201
PROGRAM AND ADMINISTRATIVE EXPENSES				
Children and adolescents	5,412,364	-	5,412,364	5,361,920
Emergency services	984,337	-	984,337	1,036,643
Behavioral Crisis Treatment Ctr	319,996	-	319,996	-
ACT Team	1,662,062	-	1,662,062	1,562,392
Outpatient - Concord	5,219,641	-	5,219,641	4,369,800
Outpatient - Franklin	2,371,863	-	2,371,863	2,021,989
Multi-Service Team - Community Support Program	6,311,862	-	6,311,862	5,610,044
Mobile Crisis Team	2,259,419	-	2,259,419	2,224,997
Community Residence - Twitchell	995,823	-	995,823	954,765
Community Residence - Fellowship	539,079	-	539,079	586,760
Restorative Partial Hospital	554,519	-	554,519	601,282
Supportive Living - Community	1,441,949	-	1,441,949	1,363,857
Other Non-BBH	3,811,589	-	3,811,589	3,073,506
Administrative	35,308	-	35,308	(51,885)
TOTAL PROGRAM & ADMINISTRATIVE EXPENSES	31,919,811	-	31,919,811	28,716,070
EXCESS/(DEFICIENCY) OF PUBLIC SUPPORT AND REVENUE OVER EXPENSES FROM OPERATIONS	1,467,503	(93,171)	1,374,332	207,131
OTHER INCOME (EXPENSE)				
Loss on Extinguishment of Debt	-	-	-	(138,302)
Investment Income	128,851	20,053	148,904	275,333
TOTAL OTHER INCOME	128,851	20,053	148,904	137,031
TOTAL INCREASE (DECREASE) IN NET ASSETS	1,596,354	(73,118)	1,523,236	344,162
NET ASSETS, BEGINNING OF YEAR	12,050,820	2,761,670	14,812,490	14,300,555
Change in fair value of interest rate swap	(205,260)	-	(205,260)	176,773
NET ASSETS, END OF YEAR	$ 13,441,914	$ 2,688,552	$ 16,130,466	$ 14,821,490

See Accompanying Notes to Financial Statements.

Riverbend Community Mental Health, Inc.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30,

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ 1,523,236	$ 344,162
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	986,676	878,768
Unrealized (gain) loss on investments	58,896	(100,619)
Loss on disposal of fixed assets	3,422	-
Loss on extinguishment of debt	-	138,302
Changes in:		
Client service fee receivables	(708,001)	(150,415)
Other receivables	(929,033)	154,974
Prepaid expenses	(17,755)	37,483
Tenant security deposits	(125)	125
Accounts payable and accrued expenses	656,944	260,187
Deferred revenue	(40,808)	5,812
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,533,452	1,568,779
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,667,168)	(811,994)
Investment activity, net	(200,671)	(46,930)
NET CASH (USED) BY INVESTING ACTIVITIES	(1,867,839)	(858,924)
CASH FLOWS FROM FINANCING ACTIVITIES		
Debt issuance cost	-	(30,078)
Principal payments on long-term debt	(200,000)	(215,981)
NET CASH (USED) BY FINANCING ACTIVITIES	(200,000)	(246,059)
NET INCREASE (DECREASE) IN CASH	(534,387)	463,796
CASH AT BEGINNING OF YEAR	2,926,405	2,462,609
CASH AT END OF YEAR	$ 2,392,018	$ 2,926,405
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash payments for interest	$ 215,104	$ 286,387
Fixed assets acquired through issuance of long-term debt	$ 1,200,000	$ -

See Accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization
Riverbend Community Mental Health, Inc. (Riverbend) is a nonprofit corporation, organized under New Hampshire law to provide services in the areas of mental health, and related non-mental health programs. The organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(2). It operates in the Merrimack and Hillsborough counties of New Hampshire.

Income Taxes
Riverbend Community Mental Health, Inc., is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, it is exempt from income taxes on its exempt function income.

Consideration has been given to uncertain tax positions. The federal income tax returns for the years ended after June 30, 2016, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Related Organizations
Riverbend is an affiliate of Capital Region Health Care (CRHC). CRHC is a comprehensive healthcare service system consisting of one hospital, one visiting nurse association, real estate holding companies and a variety of physician service companies. The affiliation exists for the purpose of integrating and improving the delivery of healthcare services to the residents of the central New Hampshire area.

Penacook Assisted Living Facility (PALF) is managed by Riverbend. PALF is a 501(c)(3) organization and operates the "John H. Whitaker Place" assisted care community located in Penacook, New Hampshire.

Basis of Presentation
The financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Riverbend and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Riverbend. Riverbend's board may designate assets without restrictions for specific operational purposes from time to time.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property
Property is recorded at cost or, if donated, at fair market value at the date of donation. Depreciation is provided using both straight-line and accelerated methods, over the estimated useful lives of the assets.

Depreciation
The cost of property, equipment and leasehold improvements is depreciated over the estimated useful life of the assets using the straight-line method. Estimated useful lives range from 3 to 40 years.

Grants
Riverbend receives a number of grants from and has entered into various contracts with the State of New Hampshire and the federal government related to the delivery of mental health services.

Vacation Pay and Fringe Benefits
Vacation pay is accrued and charged to the programs when earned by the employee. Fringe benefits are allocated to the appropriate program expense based on the percentage of actual time spent on the programs.

In-Kind Donations
Various public and private entities have donated facilities for Riverbend's operational use. The estimated fair value of such donated services is recorded as offsetting revenues and expenses in the accompanying statement of revenue support and expenses of general funds.

Revenue
Grant revenue received by Riverbend is deferred until the related services are provided.

Accounts Receivable
Accounts receivable are recorded based on the amount billed for services provided, net of respective allowances.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Policy for Evaluating Collectability of Accounts Receivable

In evaluating the collectability of accounts receivable, Riverbend analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts. Data in each major payor source is regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to clients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established for amounts outstanding for an extended period of time and for third-party payors experiencing financial difficulties; for receivables relating to self-pay clients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of clients to pay amounts for which they are financially responsible.

Based on management's assessment, Riverbend provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after Riverbend has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Riverbend has recorded an estimate in the allowance for doubtful accounts of $2,133,943 and $1,383,510 as of June 30, 2019 and 2018, respectively. The allowance for doubtful accounts represents 53% of total accounts receivable as of June 30, 2019 and 2018, respectively.

Client Service Revenue

Riverbend recognizes client service revenue relating to services rendered to clients that have third-party payor coverage and are self-pay. Riverbend receives reimbursement from Medicare, Medicaid and Insurance Companies at defined rates for services to clients covered by such third-party payor programs. The difference between the established billing rates and the actual rate of reimbursement is recorded as allowances when received. For services rendered to uninsured clients (i.e., self-pay clients), revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay clients, a provision for bad debts is recorded based on experience and the effects of newly identified circumstances and trends in pay rates. Client service revenue (net of contractual allowances and provision for bad debts) recognized during the year ended June 30, 2019 totaled $23,739,832, of which $23,270,551 was revenue from third-party payors and $469,281 was revenue from self-pay clients.

Riverbend has agreements with third-party payors that provide payments to Riverbend at established rates. These payments include:

New Hampshire Medicaid

Riverbend is reimbursed for services rendered to Medicaid clients on the basis of fixed Fee for Service rates.

Cenpatico

This a managed care organization that reimburses Riverbend Medicaid funds for services rendered on a fee for service and capitated structure.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Beacon Wellness
This a managed care organization that reimburses Riverbend Medicaid funds for services rendered on a fee for service and capitated structure.

State of New Hampshire
Riverbend is reimbursed for certain expenses through support from the State of New Hampshire general funds accounts. Assertive Continuous Treatment Teams (ACT) for both adults and children, Mobile Crisis Teams, Refugee Interpreter Services are such accounts.

Concord Hospital
Riverbend is reimbursed for certain projects through support from the Concord Hospital for behavioral health services rendered in the emergency room inpatient psychiatric unit and for general administrative services are all reimbursed on a contractual basis.

Approximately 83% of net client service revenue is from participation in the state-sponsored Medicaid programs for the year ended June 30, 2019. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is possible that recorded estimates could change materially in the near term.

Interest Rate Swap Agreements
Riverbend has adopted professional accounting standards which require that derivative instruments be recorded at fair value and included in the statement of financial position as assets or liabilities. Riverbend uses interest rate swaps to manage risks related to interest rate movements. Interest rate swap contracts are reported at fair value. Riverbend's interest rate risk management strategy is to stabilize cash flow requirements by maintaining contracts to convert variable rate debt to a fixed rate.

Advertising
Advertising costs are expensed as incurred. Total costs were $168,402 and $103,965 at June 30, 2019 and 2018, respectively.

New Accounting Pronouncement:
On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Riverbend has adjusted the presentation of these statements.

NOTE 2 CASH

At June 30, 2019 and 2018, the carrying amount of cash deposits was $2,418,304 and $2,950,241 and the bank balance was $2,578,539 and $3,017,642. Of the bank balance, $631,957 and $1,050,649 was covered by federal deposit insurance under written agreement between the bank and Riverbend, $1,946,453 and $1,966,993 was offset by debt, and the remaining $129 and $-0- is uninsured.

NOTE 3 ACCOUNTS RECEIVABLE

	2019	2018
ACCOUNTS RECEIVABLE - TRADE		
Due from clients	$1,386,938	$ 937,441
Receivable from insurance companies	643,200	387,198
Medicaid receivable	1,672,318	1,089,321
Medicare receivable	355,388	191,871
Housing fees	6,080	(341)
	4,063,924	2,605,490
Allowance for doubtful accounts	(2,133,943)	(1,383,510)
	$1,929,981	$1,221,980

	2019	2018
ACCOUNTS RECEIVABLE - OTHER		
Merrimack County Drug Court	$ 125,244	$ 146,425
Concord Hospital	560,969	131,690
Federal Grant	556,152	99,216
Behavioral Information System - BIS	58,910	40,131
Beacon Health Options - MCO	76,081	32,836
Due from Penacook Assisted Living Facility	23,104	13,761
Other	29,601	36,969
	$1,430,061	$ 501,028

NOTE 4 INVESTMENTS

Riverbend has invested funds in various pooled funds with Harvest Capital Management. The approximate breakdown of these investments are as follows at June 30,:

2019	Cost	Unrealized Gain (Loss)	Market Value
Cash & Money Market	$ 104,999	$ -	$ 104,999
Corporate Bonds	636,487	(17,410)	619,077
Exchange Traded Funds	4,323,234	414,084	4,737,318
Equities	115,144	(7,966)	107,178
Mutual Funds	2,200,571	(50,189)	2,150,382
	$7,380,435	$ 338,519	$7,718,954

NOTE 4 INVESTMENTS (continued)

Investment income (losses) consisted of the following at June 30,:

2018	Cost	Unrealized Gain (Loss)	Market Value
Cash & Money Market	$ 297,168	$ -	$ 297,168
U.S. Treasuries	49,426	496	49,922
Corporate Bonds	885,154	(25,303)	859,851
Exchange Traded Funds	3,874,998	329,768	4,204,766
Equities	111,042	(7,096)	103,946
Mutual Funds	2,083,238	(17,927)	2,065,311
	$7,301,026	$ 279,938	$7,580,964

	2019	2018
Interest and dividends	$ 217,991	$ 195,629
Realized gains (losses)	(90,398)	221,703
Unrealized gains (losses)	58,896	(100,619)
Fee expenses	(42,748)	(41,827)
Returns from BIS	3,785	447
TOTAL	$ 147,526	$ 275,333

NOTE 5 FAIR VALUE MEASUREMENTS

Professional accounting standards established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

Level 1- Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2- Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

NOTE 5 FAIR VALUE MEASUREMENTS (continued)

Level 3- Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

All investments are categorized as Level 1 and recorded at fair value, as of June 30, 2019. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment, at cost:

	2019	2018
Land	$ 1,275,884	$ 953,387
Buildings	17,183,576	14,886,509
Leasehold Improvements	439,942	410,706
Furniture and Fixtures	3,770,563	3,585,143
Equipment	1,930,086	1,686,694
Software licenses	162,848	162,848
CIP	37,024	252,598
	24,799,923	21,937,885
Accumulated Depreciation	(12,455,339)	(11,496,265)
NET BOOK VALUE	$ 12,344,584	$ 10,441,620

NOTE 7 OTHER INVESTMENTS

Behavioral Information System
Riverbend entered into a joint venture with another New Hampshire Community Mental Health Center. Under the terms of the joint venture, Riverbend invested $52,350 for a 50% interest in Behavioral Information Systems (BIS).

The investment is being accounted for under the equity method. Accordingly, 50% of the BIS operating income for the year has been reflected on the books of Riverbend.

During the years June 30, 2019 and 2018, Riverbend paid BIS $278,271 and $40,239, respectively, for software support and services.

BIS owed Riverbend $58,910 and $40,131 at June 30, 2019 and 2018, respectively.

NOTE 8 LONG-TERM DEBT

Long-term debt consisted of the following as of June 30,:

	2019	2018
Mortgage payable, $1,200,000 note dated 6/10/19, secured by Pleasant St. property. Interest at 3.8%, annual principal and interest payments of $5,630 with a final balloon payment of $946,441 due June, 2029	$1,200,000	$ -
Bond payable, TD Banknorth dated February 2003, interest at a fixed rate of 3.06% with annual debt service payments of varying amounts ranging from $55,000 in July 2004 to $375,000 in July 2034. Matures July 2034. The bond is subject to various financial covenant calculations.	3,205,000	3,340,000
Bond payable, NHHEFA dated September 2017, interest at a fixed rate of 2.76% through a swap agreement expiring 9/1/2028 annual debt service payments of varying amounts ranging from $55,000 in July 2017 to $475,000 in July 2038. Matures July 2038. The bond is subject to various financial covenant calculations.	3,330,000	-
Bond payable, NHHEFA dated July 2008, interest at a fixed rate of 3.435% through a swap agreement expiring 7/1/2018, annual debt service payments of varying amounts ranging from $45,000 in July 2012 to $475,000 in July 2038. Matures July 2038. The bond was refinanced September 2017.	-	3,395,000
	7,735,000	6,735,000
Less: Current Portion	(229,808)	(200,000)
Long-term Debt	7,505,192	6,535,000
Less: Unamortized debt issuance costs	(248,865)	(274,759)
	$7,256,327	$6,260,241

NOTE 8 LONG-TERM DEBT (continued)

The aggregate principal payments of the long-term debt for the next five years and thereafter are as follows:

Year Ending June 30,	Amount
2020	$ 229,808
2021	242,472
2022	253,357
2023	264,272
2024	275,109
Thereafter	6,469,982
	$ 7,735,000

Riverbend has an irrevocable direct pay letter of credit which is associated with the 2008 bond. The letter of credit is for the favor of the Trustee of the bond for the benefit of the bond holders under the bond indenture dated September 1, 2017. The letter is for $3,395,000 and expires September 1, 2028.

As part of the change in account principal discussed in Note 16, $45,272 of long-lived grants previously included in long-term debt were restated under the adoption of ASU 2016-14.

NOTE 9 DEFERRED INCOME

	2019	2018
Concord Hospital/Dartmouth Hitchcock	$ 27,362	$ 68,170

NOTE 10 LINE OF CREDIT

As of June 30, 2019, Riverbend had available a line of credit with an upper limit of $1,500,000. At that date no borrowings were outstanding against the line of credit. These funds are available with an interest rate of TD Bank, N.A. base rate plus .25%, adjusted daily. This line of credit is secured by all accounts receivable of the company and is due on demand. The next review date will be November 30, 2020 and the decision to review the line of credit will be at the sole discretion of the lender.

NOTE 11 RELATED PARTY

Penacook Assisted Living Facility, Inc., an affiliate, owed Riverbend at year end.

The balance is comprised of the following at June 30,:

	2019	2018
Ongoing management and administrative services, recorded in other accounts receivable	$ 21,243	$ 13,761

Riverbend collected $95,992 and $82,855 for property management services, $54,710 and $78,109 for contracted housekeeping services and $75,000 and $-0- for a developers fee from the affiliate during the years ended June 30, 2019 and 2018, respectively.

NOTE 12 EMPLOYEE BENEFIT PLAN

Riverbend makes contributions to a 403(b) plan on behalf of its employees. This program covers substantially all full-time employees. During the years ended June 30, 2019 and 2018, such contributions were $338,574 and $297,889, respectively.

NOTE 13 OPERATING LEASES

Riverbend leases operating facilities from various places. The future minimum lease payments are as follows:

Year Ending June 30,	Amount
2020	$ 119,863
2021	121,492
2022	123,171
2023	90,121
2024	73,226
	$ 527,873

Total rent expense for the years ended June 30, 2019 and 2018 was $144,593 and $76,440, respectively.

NOTE 14 LIQUIDITY

The following reflects Riverbend's financial assets available within one year of June 30, 2019 for general expenditures are as follows:

Cash and Cash Equivalents	$ 2,392,018
Accounts Receivable (net)	3,360,042
Investments	7,718,954
Financial assets, at year end	13,471,014
Less those unavailable for general expenditures within one year due to:	
Restricted by donor with time or purpose restrictions	(2,688,552)
Financial assets available within one year for general expenditures	$ 10,782,462

Restricted deposits, and reserves are restricted for specific purposes and therefore are not available for general expenditures.

Investments in real estate and partnerships are not included as they are not considered to be available within one year.

As part of the Riverbend's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE 15 NET ASSETS WITH DONOR RESTRICTIONS

Net Assets with donor restrictions are restricted and summarized as follows as of June 30, 2019:

	2019		
	Purpose Restricted	Perpetual in Nature	Total
Babcock Fund	$ 144,835	$ -	$ 144,835
Capital Campaign Fund	-	2,412,487	2,412,487
Development Fund	131,230	-	131,230
	$ 276,065	$ 2,412,487	$ 2,688,552

NOTE 15 NET ASSETS WITH DONOR RESTRICTIONS (continued)

	2018		
	Purpose Restricted	Perpetual in Nature	Total
Babcock Fund	$ 149,635	$ -	$ 149,635
Charles Schwab	-	2,482,225	2,482,225
Development Fund	129,810	-	129,810
	$ 279,445	$ 2,482,225	$ 2,761,670

On December 28, 1978 the Jo Babcock Memorial Fund was established by Henry Frances Babcock of Belmont, MA, in memory of their daughter. Designated for the treatment of outpatients, in particular those who are unable to pay for services, the Babcock Fund, may also be used to purchase equipment for research or treatment.

The initial gift consisted of 250 shares of Merck stock, in street form. The stocks were subsequently sold. In 1979, the Babcock Family sent additional funds in the form of bonds, etc.

Capital Campaign Fund – *(Charles Schwab)*

In the spring of 2003, Riverbend Community Mental Health completed a campaign seeking to raise capital support from community leaders, families, friends, corporations, and foundations. The campaign was intended to identify urgent capital projects that could expand and improve services to a relatively underserved population of clients.

The overall campaign is also intended to provide new and improved facilities for the Riverbend community, and enhance the services provided to the patients at Riverbend Community Mental Health, Inc.

The Development Fund – *(Charles Schwab)*

The Development Fund consists of agreements with various corporations and foundations that specifically designate their contributions to be utilized for supporting program service expenses; funds are restricted in order for Riverbend to ensure that almost all of each individual contribution received can go toward supporting programs and initiatives that benefit the community.

NOTE 15 NET ASSETS WITH DONOR RESTRICTIONS (continued)

Below is the breakdown of the restricted activity above for the year ending June 30, 2019:

Investment Income	$ 21,918
Unrealized Gain on Investments	16,098
Investment Fees	(17,963)
Total Annuity Activity	20,053
New Grants	3,260
Net assets released from restrictions	(96,431)
Beginning Assets with Donor Restrictions	2,761,670
Ending Assets with Donor Restrictions	$ 2,688,552

NOTE 16 CHANGE IN ACCOUNTING PRINCIPAL – RETROSPECTIVE APPLICATION

On January 1, 2018, Riverbend changed its method of accounting for net assets to conform with ASU 2016-14, effective for fiscal years beginning after December 15, 2017. The change was adopted retroactively. Under the new accounting method, Riverbend must now report their net assets as either with donor restrictions or without donor restrictions. As a result, the cumulative effect of applying the new method, the following amounts increased/ (decreased):

	2018
Unrestricted Net Assets	$ (11,416,536)
Temporarily Restricted Net Assets	$ (3,350,682)
Long-lived Grants	$ (45,272)
Net Assets without Donor Restrictions	$ 12,050,820
Net Assets with Donor Restrictions	$ 2,761,670

NOTE 17 SUBSEQUENT EVENTS

In accordance with professional accounting standards, Riverbend has evaluated subsequent events through September 18, 2019, which is the date the financial statements were available to be issued. Events requiring recognition as of June 30, 2019, have been incorporated into the financial statements herein.

SUPPLEMENTARY INFORMATION

Riverbend Community Mental Health Inc.
SCHEDULE OF FUNCTIONAL REVENUES
For the Year Ended June 30, 2019, with
Comparative Totals for 2018

	2019 Total	Total Admin.	Total Programs	Children & Adolescents	Emergency Services/ Assessment	Behavioral Crisis Treatment Ctr.	Restorative Partial Hospital	Choices, RCA, Inpatient, Autism, Drug Court (Non-Eligibles)	ACT Team	Multi-Service Team	Mobile Crisis Team	Comm. Res. Twitchell	Comm. Res. Fellowship	Comm. Supp. Living	Other (Non-BBH)	2018
PROGRAM SERVICE FEES																
Net Client Fees	$ 469,281	$ -	$ 469,281	$ 36,083	$ 62,978	$ 12,575	$ 14,620	$ 100,860	$ 53,785	$ 70,556	$ 28,575	$ 57,064	$ 3,352	$ 18,414	$ 10,421	$ 462,222
HMO's	962,740	-	962,740	304,721	42,456	1,737	-	394,954	15,123	154,587	49,122	-	-	-	-	838,136
Blue Cross/Blue Shield	534,156	-	534,156	123,081	18,363	200	1,920	284,213	9,748	79,471	17,100	-	-	-	60	453,928
Medicaid	19,781,476	191,492	19,589,984	4,369,085	114,469	4,664	355,418	1,549,384	897,418	10,570,048	327,333	420,308	199,294	579,225	203,340	17,378,074
Medicare	895,652	-	895,652	2,622	7,728	611	12,394	338,946	26,233	508,555	563	-	-	-	-	698,815
Other Insurance	655,435	-	655,435	194,752	35,051	-	7,047	295,230	14,296	105,658	3,201	-	-	-	-	527,880
Other Program Fees	441,092	705	440,387	16,831	401	373	8,658	1,808	-	2,827	599	132,081	-	245,790	33,039	512,957
PROGRAM SALES																
Service	5,396,063	-	5,396,063	-	1,192,471	-	-	1,443,256	-	93,530	-	-	-	-	2,666,808	4,778,125
PUBLIC SUPPORT																
United Way	3,366	-	3,366	3,366	-	-	-	-	-	-	-	-	-	-	-	11,980
Local/County Gov't.	4,000	-	4,000	4,000	-	-	-	-	-	-	-	-	-	-	-	4,000
Donations/Contributions	158,523	-	158,523	23,415	-	-	70	40,344	-	20	10,000	-	-	-	84,674	104,724
Other Public Support	650,050	(1,186)	651,236	33,932	(145)	-	-	578,708	1,050	21,905	14,109	-	-	111	1,565	713,884
FEDERAL FUNDING																
Other Federal Grants	1,633,700	-	1,633,700	-	1,471	173,343	-	55,508	96,853	5,000	467,354	-	-	-	832,171	573,100
PATH	36,250	-	36,250	-	-	-	-	-	-	-	-	-	-	36,250	-	36,247
IN-KIND DONATIONS	170,784	-	170,784	5,200	-	-	-	-	-	-	-	144,886	-	20,698	-	170,784
OTHER REVENUES	83,183	35,983	47,200	4,628	15	-	-	772	356	10,974	90	-	-	23	30,342	59,669
BBH	1,418,392	-	1,418,392	6,108	6,237	173,343	-	28,595	270,147	3,000	930,962	-	-	-	-	1,598,678
TOTAL PROGRAM REVENUES	$ 33,294,143	$ 226,994	$ 33,067,149	$ 5,127,824	$ 1,481,493	$ 368,846	$ 398,127	$ 5,112,618	$ 1,387,009	$ 11,624,332	$ 1,849,006	$ 754,317	$ 202,646	$ 900,511	$ 3,862,418	$ 28,923,201

Riverbend Community Mental Health Inc.
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019, with
Comparative Totals for 2018

	2019 Totals	Total Admin.	Total Programs	Children & Adolescents	Emergency Services/ Assessment	Behavioral Crisis Treatment Ctr.	Restorative Partial Hospital	Choices, RCA, Inpatient, Autism, Drug Court (Non-Eligibles)	ACT Team	Multi-Service Team	Mobile Crisis Team	Comm. Res. Twitchell	Comm. Res. Fellowship	Comm. Supp. Living	Other (Non-BBH)	2018
PERSONNEL COSTS																
Salary &Wages	$ 20,281,709	$ 1,337,916	$ 18,943,793	$ 3,175,539	$ 703,699	$ 184,259	$ 253,887	$ 3,175,092	$ 1,004,762	$ 5,347,212	$ 1,410,414	$ 488,889	$ -	$ 754,944	$ 2,455,096	$ 18,573,428
Employee Benefits	4,100,848	292,825	3,808,023	737,390	76,152	13,642	69,751	404,410	281,579	1,232,182	228,317	121,586	-	197,773	445,281	3,786,178
Payroll Taxes	1,471,532	100,188	1,371,344	231,798	52,302	12,585	19,495	208,933	72,342	394,833	105,039	36,853	-	57,055	178,321	1,335,337
PROFESSIONAL FEES																
Substitute Staff	694,780	74,823	519,957	-	-	-	-	348,782	-	-	-	-	-	-	171,175	132,490
Accounting	46,363	46,363	-	-	-		-	-	-	-	-	-	-	-	-	40,375
Legal Fees	35,305	35,305	-	-	-		-	-	-	-	-	-	-	-	-	13,981
Other Prof. Fees/Consul.	1,324,110	460,264	863,846	31,281	1,067	60,866	16,782	42,432	4,070	73,288	24,484	1,773	527,344	1,805	78,674	1,046,952
STAFF DEV. & TRAINING																
Journals & Pub.	8,606	1,450	7,156	1,492	3	107	141	2,912	82	837	65	504	-	3	910	8,596
Conferences and Conv.	77,539	17,369	60,170	12,999	632	135	37	14,018	1,209	11,428	7,287	1,390	-	1,439	9,596	101,451
OCCUPANCY COSTS																
Rent	189,440	14,432	155,008	21,708	-		39,631	43,288	782	480	-	-	-	-	49,119	98,057
Heating Costs	62,127	5,620	56,507	5,687	254	358	3,777	5,286	816	12,639	5,241	-	-	20,833	1,714	54,056
Other Utilities	195,146	23,907	171,239	25,327	507	527	6,989	16,869	5,710	41,243	18,381	10,647	-	36,680	7,359	193,062
Maintenance and Repairs	171,632	23,808	147,824	24,512	810	2,768	5,659	17,478	3,828	29,011	16,844	8,466	-	33,822	6,706	159,943
Taxes	5,304	-	5,304	-	-		-	-	-	-	-	-	-	5,304	-	5,540
Other Occupancy Costs	42,249	12,560	29,689	3,906	42	5,475	606	2,747	360	6,749	2,592	919	-	1,795	4,298	48,788
CONSUMABLE SUPPLIES																
Office	266,883	73,948	192,815	38,331	1,159	3,292	3,324	26,033	10,108	59,786	14,084	7,444	2	8,435	20,919	257,890
Building/Household	69,529	8,685	60,844	7,086	244	375	8,692	2,280	1,958	15,787	4,900	9,808	-	8,743	2,993	52,934
Educational/Training	33,330	-	33,330	20,088	-	84	213	8,768	1,995	1,447	(33)	32	-	84	2,872	33,101
Food	83,208	14,912	68,296	5,794	302	527	16,275	3,243	239	8,312	14,196	16,539	-	3,087	1,782	83,188
Medical	97,348	344	97,002	788	(101)	3,422	281	48,973	446	3,897	3,069	288	-	217	35,902	41,934
ADVERTISING	168,401	110,636	57,765	8,313	436	8,144	822	5,458	1,983	12,279	7,704	1,305	-	1,935	9,386	103,985
PRINTING	38,885	27,675	10,990	1,810	1,227	(23)	-	1,870	340	4,076	(173)	158	-	40	1,673	33,714
TELEPHONE/ COMMUNICATIONS	333,255	51,906	281,349	51,860	25,562	713	2,822	38,430	11,098	75,342	33,960	9,184	-	13,079	19,299	301,697
POSTAGE/SHIPPING	19,134	6,280	12,854	2,418	242	382	525	1,373	495	4,536	901	299	-	823	860	25,865
TRANSPORTATION																
Staff	365,394	56,077	330,317	59,478	757	282	44	21,302	35,225	180,380	3,998	850	-	6,407	11,814	377,919
Clients	38,144	2,368	35,776	5,346	-		16,474	(5)	-	845	3,861	4,980	-	4,175	-	30,750
INSURANCE																
Malpractice and Bonding	164,333	16,131	148,202	28,044	1,606	1,287	3,081	19,562	9,476	44,437	21,553	4,575	-	6,945	7,674	150,479
Vehicles	14,142	1,100	13,042	1,932	-	-	4,992	-	-	745	-	3,569	-	1,804	-	15,227
Comp. Property & Liab.	21,173	3,582	17,491	4,149	95	101	71	2,218	690	5,126	1,465	80	-	2,722	774	18,992
INTEREST EXPENSE	215,104	88,583	126,441	67,460	1,896	685	(2,161)	34,012	2,780	-	5,369	-	-	14,833	1,487	286,387
IN-KIND EXPENSE	170,784	-	170,784	5,200	-	-	-	-	-	-	-	144,886	-	20,698	-	170,784
DEPRECIATION AND AMORTIZATION	696,675	408,494	578,182	185,029	3,101	1,783	2,457	115,256	17,552	106,881	56,596	4,994	-	69,280	33,271	679,768
EQUIPMENT MAINTENANCE	37,206	9,940	27,266	6,833	725	34	953	3,611	1,115	6,194	3,609	1,816	-	724	1,850	28,326
MEMBERSHIP DUES	43,325	38,034	5,291	650	-	-	3	2,535	75	921	530	223	-	3	151	68,169
OTHER EXPENDITURES	147,109	23,577	123,532	36,400	780	2,149	8,164	14,693	3,483	25,523	9,152	3,639	-	4,824	14,925	164,789
TOTAL EXPENSES	31,919,811	3,388,282	28,531,529	4,801,828	873,299	283,699	491,967	4,830,843	1,474,574	7,704,164	2,004,647	883,490	527,346	1,279,291	3,576,263	28,716,070
ADMIN ALLOCATION	-	(3,352,974)	3,352,974	610,538	111,038	36,097	62,552	588,798	187,488	979,561	254,872	112,333	11,733	162,658	235,306	-
TOTAL PROGRAM EXPENSES	31,919,811	35,308	31,884,503	5,412,364	984,337	319,996	554,519	5,219,641	1,662,062	8,683,725	2,259,419	995,823	539,079	1,441,949	3,811,569	28,716,070
SURPLUS/(DEFICIT)	$ 1,374,332	$ 191,696	$ 1,182,646	$ (284,540)	$ 497,156	$ 48,850	$ (156,382)	$ (107,023)	$ (275,053)	$ 2,940,807	$ (410,411)	$ (241,506)	$ (336,433)	$ (541,439)	$ 50,628	$ 207,131

Riverbend Community Mental Health, Inc.
ANALYSIS OF DHHS-BBH REVENUES, RECEIPTS AND RECEIVABLES
For the Year Ended June 30, 2019

	Receivable From BBH Beginning of Year	BBH Revenues Per Audited Financial Statements	Receipts for Year	Receivable from BBH End of Year
Contract Year, June 30, 2019	$ 74	$ 1,418,392	$ (1,281,376)	$ 137,090

Analysis of Receipts:

BBH & Federal Fund Payments

07/19/18	$ 74	12/05/18	$ 27,032	03/20/19	$ 166,396
08/01/18	99,216	12/05/18	107	03/25/19	23,968
08/07/18	4,000	12/05/18	122,558	03/25/19	13,641
09/05/18	11,741	12/05/18	3,416	04/05/19	7,493
09/05/18	24,488	12/07/18	7,968	04/18/19	14,333
09/10/18	84,208	01/10/19	6,530	04/18/19	25,648
09/11/18	74	01/11/19	153	04/18/19	171,143
09/11/18	5,000	01/11/19	13,615	04/18/19	3,579
09/11/18	3,314	01/11/19	24,538	04/24/19	163,270
09/28/18	17,807	01/11/19	183,922	05/14/19	21,579
09/28/18	36,568	01/11/19	3,415	05/14/19	15,973
09/28/18	2,050	02/04/19	6,472	05/14/19	197,600
10/02/18	133,725	02/06/19	14,601	05/14/19	5,249
10/17/18	92	02/06/19	23,959	05/17/19	6,908
10/17/18	5,475	02/11/19	8,153	05/23/19	9,925
10/26/18	126,597	02/11/19	117,493	05/23/19	10,389
10/30/18	6,936	02/14/19	2,941	05/23/19	13,595
11/02/18	628	02/14/19	303	05/23/19	50,329
11/02/18	13,501	02/14/19	213,294	06/11/19	303
11/02/18	22,649	02/14/19	3,518	06/12/19	5,005
11/02/18	85	02/28/19	2,273	06/12/19	516
11/02/18	123,117	03/04/19	530	06/12/19	73,890
11/02/18	5,000	03/04/19	14,310	06/12/19	2,353
11/02/18	3,603	03/04/19	24,145	06/12/19	1,202
11/27/18	4,767	03/04/19	148	06/14/19	3,501
12/05/18	228	03/04/19	3,479	06/28/19	38,346
12/05/18	13,507	03/07/19	7,080		
				Less:Federal Monies	(1,349,162)
					$ 1,281,376

Riverbend Community Mental Health, Inc.
ANALYSIS OF CLIENT SERVICE FEES
For the Year Ended June 30, 2019

	Accounts Receivable, Beginning	Gross Fees	Contractual Allowances & Discounts	Bad Debts and Other Charges	Cash Receipts	Accounts Receivable, Ending
Client fees	$ 937,440	$ 3,648,493	$ (2,213,240)	$ (510,677)	$ (475,077)	$ 1,386,939
Blue Cross/Blue Shield	81,073	818,121	(284,568)	5,839	(531,067)	89,398
Medicaid	1,089,323	39,023,788	(19,242,645)	(10,106)	(19,188,042)	1,672,318
Medicare	191,871	1,215,836	(320,184)	54,328	(786,463)	355,388
Other Insurance	306,125	2,508,422	(890,238)	82,470	(1,452,977)	553,802
Housing fees	(342)	389,597	546	(940)	(382,782)	6,079
TOTALS	$ 2,605,490	$ 47,604,257	$ (22,950,329)	$ (379,086)	$ (22,816,408)	$ 4,063,924

SINGLE AUDIT REPORTS

Riverbend Community Mental Health, Inc.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

Federal Grantor/Program Title	Pass-Through Entity Number	CFDA Number	Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the State of New Hampshire, Department of Health and Human Services:			
NH State Opioid Response		93.788	$ 265,940
Medical Assistance Program		93.778	1,471
Medical Assistance Program		93.778	41,722
Medical Assistance Program		93.778	57,131
			100,324
SAMSHA Projects of Regional and National Significance	5H79SM062163-02	93.243	566,231
Projects for Assistance in Transition from Homelessness	95-42-123010-7926	93.150	36,250
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 968,745

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Riverbend Community Mental Health, Inc. under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Riverbend Community Mental Health, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Riverbend Community Mental Health, Inc.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Riverbend Community Mental Health, Inc., has not elected to use the 10 percent de miminis indirect cost rate as allowed under the Uniform Guidance.

KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License #167

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Riverbend Community Mental Health, Inc.
Concord, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Riverbend Community Mental Health, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of operations and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 18, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Kittell, Branagan + Sargent

St. Albans, Vermont
September 18, 2019

KBS
Kittell Branagan & Sargent
Certified Public Accountants
Vermont License # 167

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE

To the Board of Directors of
Riverbend Community Mental Health, Inc.
Concord, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Riverbend Community Mental Health, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Riverbend Community Mental Health, Inc.'s major federal programs for the year ended June 30, 2019. Riverbend Community Mental Health, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Riverbend Community Mental Health, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Kittell, Branagan + Sargent

St. Albans, Vermont
September 18, 2019

Riverbend Community Mental Health, Inc.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2019

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Riverbend Community Mental Health, Inc. were prepared in accordance with GAAP.

2. There were no significant deficiencies disclosed during the audit of the financial statements. No material weaknesses are reported.

3. No instances of noncompliance material to the financial statements of Riverbend Community Mental Health, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. There were no significant deficiencies in internal control over major federal award programs disclosed during the audit. No material weaknesses are reported.

5. The auditor's report on compliance for the major federal award programs for Riverbend Community Mental Health, Inc. expresses an unmodified opinion on all major federal programs.

6. There were no audit findings required to be reported in accordance with 2 CFR Section 200.516(a).

7. The programs tested as a major program were:

   93.788 - Peer Recovery Support Svs. (PRSS)
   93.788 - The Doorways - Hub & Spoke Concord
   93.788 - Medication Assisted Treatment (Waypoint FKA Child & Fam. Svs.)
   93.243 - PBHCI SAMHSA Grant

8. The threshold used for distinguishing between Types A and B programs was $750,000.

9. Riverbend Community Mental Health, Inc. was determined to not be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

- There were no findings related to the financial statements audit.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

- There were no findings or questioned costs related to the major federal award programs.

Riverbend Community Mental Health, Inc.
Board of Directors
2019-2020

Leslie Walker, CPA, **Chair**
John Barthelmes, **Vice Chair**
James Doremus, **Secretary**
Lisa Madden, **President/CEO**, *Ex Officio*
Andrea Beaudoin, **Assistant Secretary**
Frank Boucher
Leslie Combs
Ross Cunningham
Christopher Eddy
Lucy Hodder
Nicholas Larochelle
Aaron McIntire
Rabbi Robin Nafshi
Bradley Osgood
Paul Quitadamo
Glenn Shepherd
James Snodgrass
Carol Sobelson
Annmarie Timmins
Cinde Warmington
Robert Steigmeyer, *Ex Officio*

Bethany Arcand

[redacted]

Social Work/ Case Management

Seeking a Social Work and Case Management position where I can apply my extensive Behavioral health knowledge, social work degree, communication and leadership skills in a social services environment.

Skills

High level communicator, both written and oral

Strong advocate for clients to utilize self determination to reach desired outcome

Received extensive, hands-on leadership training

Innovative thinker

NASW Student Member 2014
Phi Alpha Member 2014
NH Providers Association Member 2014
Mental Health First Aid Certified
Basic Life Support Certified

Professional Experience

Partners in Health – Manchester, NH

Family Support Coordinator **January 2017 – Present**

- Manage a caseload of 70-80 families with children with chronic illness.
- Assess client needs and provide appropriate resources to meet stated and unstated needs.
- Collaborate with community partners to assure clients receive adequate services.
- Advocate for families to receive necessary benefits including Medicaid, CFI, and Social Security benefits.
- Complete all administrative duties including scanning, copying, faxing, filing while maintaining HIPAA compliance.
- Provide support to families throughout medical and social crises using empathy and motivational interviewing.

Butterfly Effects, LLC. – Virginia Beach, VA

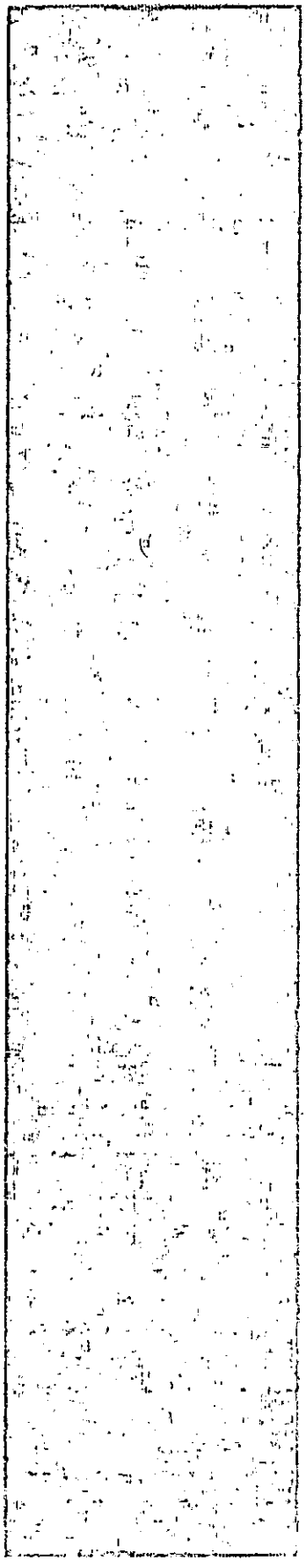
Registered Behavior Technician **July 2014 – December 2016**

- Provide direct client care utilizing Applied Behavioral Analysis (ABA) techniques to contribute to a reduction in maladaptive behaviors and an increase in positive social skills.
- Collaborate with a team of care professionals and client's family to assess and implement functional goals.
- Collect, record, and summarize measurable and observable data according to the client's individualized treatment plan.
- Create and communicate data sheet to other team members.
- Effectively communicate with family and outside caregivers regarding client's goals for communication and social behavior expectations.
- Train new RBTs upon introduction to specific clients.
- Understand the importance of empathy and proactive care.

New Futures, Inc. – Concord, NH

Intern **September 2013 – May 2014**

- Mobilize advocates to participate in community conversations across NH.
- Research marijuana legalization policy and synthesize findings for use by agency's advocacy director.
- Attend multiple legislative committee hearings, summarize the discussion, and present findings to team.
- Co-trained 20 youth in the fundamental skills of policy and advocacy.
- Utilize communication and public speaking skills to influence legislation.
- Testify in front of Senate committee opposing HB1625.



Hannaford – Goffstown, NH

Service leader **September 2010 – May 2014**

- Employ multi-tasking, coordination, and time management skills to supervise 20-30 associates in a high pressure environment.
- Monitor and assess employee performance and make recommendations for skill development.
- Utilize active listening and problem solving skills to meet the needs of customers.
- Balance associate and business needs to allow for 95-100% efficiency as measured by store productivity compared to customer and item counts.

Camp Fatima – Gilmantown IW, NH

Counselor, Special Needs Week **June 2010, 2011, 2012**

- Coordinated 9-10 people of diverse ages with cognitive disabilities 24 hours per day for 6 days.
- 55-80 year olds; 16-22 year olds; 40-54 year olds respectively.
- Aided in accomplishing activities of daily living with campers.
- Collaborated with peers in order to implement safe and exciting individual and group activities.
- Identified the effectiveness of the activities and adapted to the expressed and unexpressed needs of campers.

Camp Bernadette – Wolfeboro, NH

Counselor **June – August 2010, 2011**

- Collaborated with a team of four peers in order to implement safe and exciting team-building activities for children between the ages of 6 and 15 years old.
- Led adventure programs on a 10 low-element adventure course.
- Mediated conflict resolution using age-appropriate language, role modeling, and mentorship.

Somersworth Youth Safe Haven – Somersworth, NH

Counselor **September - December 2011**

Education

Bachelor of Science
Major in Social Work

University of New Hampshire
Durham, New Hampshire
Graduation Date: May 2014

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Bethany Arcand	Care Coordinator	$20.00/hour	100%	$ 17,478

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR BEHAVIORAL HEALTH
BUREAU OF DRUG AND ALCOHOL SERVICES

Jeffrey A. Meyers
Commissioner

Katja S. Fox
Director

105 PLEASANT STREET, CONCORD, NH 03301
603-271-6110 1-800-852-3345 Ext. 6738
Fax: 603-271-6105 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

November 14, 2018

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, Bureau of Drug and Alcohol Services, to enter into agreements with the vendors listed below, to provide comprehensive Medication Assisted Treatment, in an amount not to exceed $1,125,710, effective upon Governor and Executive Council approval through September 29, 2020. 100% Federal Funds.

Vendor Name	Vendor ID	Vendor Address	Amount
Harbor Homes, Inc.	155358	77 Northeastern Blvd, Nashua, NH 03062	$271,428
LRGHealthcare	177161	80 Highland St. Laconia, NH 003246	$271,428
Mary Hitchcock Memorial Hospital	177651	One Medical Center Drive Lebanon, NH 03756	$311,426
Riverbend Community Mental Health, Inc.	177192	278 Pleasant Street, Concord, NH 03302	$271,428
		Total	**$1,125,710**

Funds are available in the following account for State Fiscal Year (SFY) 2019, and are anticipated to be available in SFY 2020 and SFY 2021, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT.

SFY	Class/ Account	Class Title	Job Number	Total Amount
2019	102-500731	Contracts for Program Services	92057040	$562,627
2020	102-500731	Contracts for Program Services	92057040	$563,083
			Total	**$1,125,710**

EXPLANATION

The purpose of this request is for the provision of comprehensive Medication Assisted Treatment (MAT) using FDA-approved medications for individuals with Opioid Use Disorder (OUD) who require community-based services. These agreements also ensure the provision of services specifically designed for pregnant and postpartum women with OUD. There is an additional agreement that will be put forth at a later date.

These services are part of the State's accepted plan to the Substance Abuse and Mental Health Services Administration (SAMHSA) under the State Opioid Response (SOR) grant. This grant is being used to make critical investments in the substance use disorder system in order to reduce unmet treatment needs, reduce opioid overdose fatalities, and increase access to MAT over the next two (2) years.

The vendors will provide services to individuals with OUD in need of evidence-based MAT alongside necessary outpatient and wrap around services to support recovery. Vendors will provide MAT services to the general population as well as enhanced services for pregnant and postpartum women in need of additional supports to be successful in recovery including, but not limited to childcare, transportation and parenting education.

Unique to these services is a robust level of client-specific data that will be available, which will be collected in coordination with the nine (9) Regional Hubs that were approved by Governor and Executive Council at the October 31, 2018 meeting. The SOR grant requires that all individuals served receive a comprehensive assessment at several time intervals, specifically at intake, three (3) months, six (6) months and upon discharge. Through collaborative agreements with the Vendors under these contracts, the Regional Hubs will be responsible for gathering data on client-related outcomes including, but not limited to recovery status, criminal justice involvement, employment, and housing needs at the time intervals listed

above. This data will enable the Department to measure short and long-term outcomes associated with SOR-funded initiatives and to determine which programs are generating the best results for the clients served.

In addition to the client-level outcomes noted above, the following performance measures will be used to measure the effectiveness of the agreement:

- Fifty percent (50%) of individuals with OUD referred to the Vendor for MAT services receive at least three (3) clinically-appropriate, MAT-related services.
- One hundred percent (100%) of clients seeking services under this proposed contract that enter care directly through the Vendor, who consent to information sharing with the Regional Hub for OUD services, receive a Hub referral for ongoing care coordination.
- One hundred percent (100%) of clients referred to the Vendor by the Regional Hub for OUD services have proper consents in place for transfer of information for the purposes of data collection between the Hub and the Vendor.

A Request for Proposals was posted on The Department of Health and Human Services' web site from September 5, 2018 through September 26, 2018. The Department received six (6) proposals. The proposals were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The four (4) vendors listed in the Requested Action as well as Elliot Hospital who will be submitted at a later date were selected. The Score Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of these contracts, these agreements have the option to extend for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 and SFY 2022-2023 biennia.

Should the Governor and Executive Council not authorize this request, individuals with OUD in need of MAT and additional supports may have reduced access to services or increased likelihood of having to be placed on a waitlist to access care. This may result in a an increase of overdose fatalities during the waiting period and/or reduced motivation to seek help if it is unavailable to individuals when they are ready to seek assistance for OUD.

Area served: Integrated Delivery Network (IDN) Regions 1-5

Source of Funds: 100% Federal Funds from the Substance Abuse and Mental Health Services Administration, State Opioid Response Grant, (CFDA #93.788, FAIN TI081685)

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

Respectfully submitted,

Katja S. Fox
Director

Approved by:
Jeffrey A. Meyers
Commissioner

05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: BEHAVIORAL HEALTH DIV OF, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT			
100% Federal Funds			
Activity Code: 92057040			
Harbor Homes			
Vendor # 155358			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -
		Subtotal	**$ 271,428.00**
LRG Healthcare			
Vendor # 177161			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	$ -
		Subtotal	**$ 271,428.00**
Mary Hitchcock			
Vendor # 177651			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 155,485.00
2020	Contracts for Prog Svs	102-500731	$ 155,941.00
2021	Contracts for Prog Svs	102-500731	$ -
		Subtotal	**$ 311,426.00**
Riverbend Community Mental Health			
Vendor # 177192			
State Fiscal Year	**Class Title**	**Class Account**	**Current Budget**
2019	Contracts for Prog Svs	102-500731	$ 135,714.00
2020	Contracts for Prog Svs	102-500731	$ 135,714.00
2021	Contracts for Prog Svs	102-500731	
		Subtotal	**$ 271,428.00**
		TOTAL	**$ 1,125,710.00**

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

Medication Assisted Treatment	RFP-2019-BDAS-05-MEDIC
RFP Name	RFP Number

Bidder Name	Pass/Fail	Maximum Points	Actual Points
1. Elliot Health System		610	499
2. Harbor Homes, Inc.		610	501
3. LRGHealthcare		610	450
4. Mary Hitchcock Memorial Hospital		610	393
5. New Approaches, Inc.		610	132
6. Riverbend CMH, Inc.		610	477

Reviewer Names

1. Abby Shockley, Snr Policy Analyst, Substnc Use Srvs DBH
2. Regina Flynn, MAT-PDOA Project Coordinator, BDAS
3. Ann Collins, RN Public Health Nurse Coordnatr, BCHS-DPHS
4. Laurie Heath, Business Admin III, DBH/BDAS Finance
5.
6.
7.
8.

Subject: Medication Assisted Treatment (RFP-2019-BDAS-05-MEDIC-05)

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

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Riverbend Community Mental Health, Inc.		1.4 Contractor Address 278 Pleasant Street Concord, NH 03302	
1.5 Contractor Phone Number 603-226-7505	1.6 Account Number 05-95-92-920510-7040 – 500731	1.7 Completion Date September 29, 2020	1.8 Price Limitation $271,428
1.9 Contracting Officer for State Agency Nathan D. White, Director Bureau of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory Peter Evans CEO	

1.13 Acknowledgement: State of New Hampshire County of Merrimack

On November 14, 2018, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

Andrea D Beaudoin

[Seal]

1.13.2 Name and Title of Notary or Justice of the Peace

Andrea D Beaudoin Senior Executive Assistant

1.14 State Agency Signature Date: 11/15/18	1.15 Name and Title of State Agency Signatory Katja S Fox, Director

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 11/16/2018

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Contractor Initials PE
Date 11/6/19

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

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

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

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

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

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

14. INSURANCE.
14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:
14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and
14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.
14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

Contractor Initials PE

Date 11/6/18

Scope of Services

1. Provisions Applicable to All Services

1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 and SFY 2022-2023 biennia.

1.4. For the purposes of this contract, the Contractor shall be identified as a subrecipient, in accordance with 2 CFR 200.0. *et seq.*

2. Scope of Work – Community Based

2.1. The Contractor shall provide comprehensive Medication Assisted Treatment (MAT) for individuals with opioid use disorder (OUD) in the Integrated Delivery Network (IDN) Region 2, which is comprised of the Capital area, including but not limited to, delivering MAT medications in conjunction with outpatient or intensive outpatient treatment in accordance with the American Society of Addition Medicine (ASAM) criteria.

2.2. The Contractor shall be a certified Opioid Treatment Program in accordance with He-A 304 if methadone is used for patients served under this contract.

2.1. The Contractor shall support individual recovery by providing MAT patients with clinical and support services that include, but not limited to:

2.1.1. Weekly MAT prescriptions.

2.1.2. Weekly check-ins to build trust and improve compliance.

2.1.3. Flexible spending funds for items essential to recovery, which would not otherwise be covered by third party insurance or Medicaid.

2.1.4. Continuum of care SUD services including, but not limited to:

2.1.4.1. Individual and group counseling.

2.1.4.2. Intensive outpatient (IOP).

2.1.4.3. Peer support.

2.1.5. Hepatitis C (HCV) and Human Immunodeficiency Virus (HIV) prevention, diversion and risk mitigation

2.1.6. Referral to higher levels of care, as needed, including but not limited to residential care.

2.2. The Contractor shall coordinate services with community-based agencies that provide non-SUD treatment services to individuals with OUD in need of additional human service agency services and supports.

2.3. The Contractor shall collaborate with organizations to provide comprehensive MAT care including, but not limited to:

2.3.1. Concord Hospital.

2.3.2. Child and Family Services (CFS).

2.3.3. Integrated Delivery Network 2 (IDN 2).

2.4. The Contractor shall ensure patient-centered care and attention to overdose prevention by using tools which include, but are not limited to:

2.4.1. Center for Disease Control (CDC) opioid prescribing guidelines.

2.4.2. Substance Abuse and Mental Health Services Administration's (SAMHSA's) Opioid Overdose Prevention Toolkit.

2.4.3. State published Guidance Document on Best Practices: Key Components for Delivering Community Based Medication Assisted Treatment Services for Opioid Use Disorders in New Hampshire.

2.5. The Contractor shall provide OUD treatment services that support the Resiliency and Recovery Oriented Systems of Care (RROSC) by operationalizing the Continuum of Care Model. (More information can be found at: http://www.dhhs.nh.gov/dcbcs/bdas/continuum-of-care.htm).

2.6. The Contractor shall provide interim OUD treatment services when the needed treatment services are not available to the client within forty-eight (48) hours of referral. Interim services shall include:

2.6.1. At least one sixty (60) minute individual or group outpatient session per week.

2.6.2. Recovery support services (RSS) as needed by the client.

2.6.3. Daily calls to the client to assess and respond to any emergent needs.

2.7. The Contractor shall ensure that clients are able to move seamlessly between levels of care within a group of services. At a minimum, the Contractor must:

2.7.1. Collaborate with the Continuum of Care Facilitator(s) in the development of a resiliency and recovery oriented system of care (RROSC) in the region(s) served.

2.7.2. Participate in the Regional Continuum of Care Workgroup(s).

2.7.3. Participate in the Integrated Delivery Network(s) (IDNs).

2.7.4. Coordinate all services delivered to clients with the local Regional Hub for OUD services (hereafter referred to as "Hub") including, but not limited to accepting clinical evaluation results for level of care placement from the Hub.

2.8. Before disclosing or re-disclosing any patient information, the Contractor shall ensure that all required patient consent or authorizations to disclose or further disclose confidential protected health information (PHI) or substance use disorder treatment information (SUD) according to all state rule, state and federal law and the special rules for redisclosure in 42 CFR part 2 have been obtained.

2.9. The Contractor shall modify their office electronic health record (EHR) and clinical work flow to ensure required screening activities by clinical staff and appropriate required data collection by care coordinators.

2.10. The Contractor shall establish and maintain formal and effective partnerships with behavioral health, OUD specialty treatment, RSS, and medical practitioners to meet the needs of the patients served.

2.11. The Contractor shall collaborate and develop formal referral and information sharing agreements with other providers that offer services to individuals with OUD, including the local Hub.

2.12. The Contractor shall communicate client needs with the Hub(s) to ensure client access to financial assistance through flexible needs funds managed by the Hub(s).

2.13. The Contractor shall maintain the infrastructure necessary to:

2.13.1. Achieve the goals of MAT expansion.

2.13.2. Meet SAMHSA requirements.

2.13.3. Deliver effective medical care to patients served under this contract.

2.14. The Contractor shall actively participate in state-funded projects which include, but are not limited to:

2.14.1. "Community of Practice for MAT."

2.14.2. Project-specific trainings.

2.14.3. Quarterly web-based discussions.

2.14.4. On-site Technical Assistance (TA) visits.

2.14.5. Ad hoc communication with expert consultants on MAT clinical care topics such as Hepatitis C Virus (HCV) and Human Immunodeficiency Virus (HIV) prevention, diversion risk mitigation and other relevant issues.

2.15. The Contractor shall ensure compliance with confidentiality requirements which include, but are not limited to:

2.15.1. Federal and state laws and New Hampshire state administrative rules.

2.15.2. HIPAA Privacy Rule.

2.15.3. 42 C.F.R Part 2.

2.16. The Contractor shall have policies and procedures in place to ensure that all staff are trained in the areas listed in Subsection 2.15 and will safeguard all confidential information.

2.17. The Contractor shall participate in all evaluation activities associated with the funding opportunity, including national evaluations.

2.18. The Contractor shall use data to support quality improvement to ensure the standard of care for clients continuously improves by ensuring:

2.18.1. Data is collected from all sites.

2.18.2. Data is reviewed at team meetings, on a monthly basis.

2.18.3. Data is reviewed by an oversight committee on a quarterly basis.

2.18.4. Team and oversight committee meetings include discussions regarding potential improvements and how to implement those improvements.

2.19. The Contractor shall utilize the State's Prescription Drug Monitoring Program (PDMP) database to mitigate prescription drug diversion or harmful interactions.

2.20. The Contractor shall develop, obtain Department approval, and implement outreach and marketing activities specifically designed to engage the population(s) identified in the community using MAT and wrap around services that are culturally appropriate and follow Culturally and Linguistically Appropriate Standards (CLAS) standards.

2.21. The Contractor shall ensure outreach and marketing activities include, but are not limited to:

2.21.1. Developing a one-page brochure of common scenarios related to OUD, that includes Regional Hub and contractor contact information for distribution to:

2.21.1.1. Medical outpatient settings.

2.21.1.2. Emergency rooms.

2.21.1.3. Inpatient providers.

2.21.2. Ensuring all printed materials are approved by the Department prior to printing/distribution.

2.21.3. Ensuring that medical providers receive training in Screening, Brief Intervention, and Referral to Treatment (SBIRT) and Motivational Interviewing in order to screen and refer individuals for substance use disorders among the patient population.

2.21.4. Sponsoring a radio show two (2) times per week on WKXL in Concord that will advertise the MAT services.

2.22. The Contractor shall assess, plan, implement, and have improvement measures for the program.

2.23. The Contractor shall ensure meaningful input of patients in program assessment, planning, implementation, and improvement including, but not limited to:

2.23.1. Documenting and assessing informal communication from patients.

2.23.2. Administering, collecting and analyzing a family satisfaction survey semi-annually.

2.24. The Contractor shall have billing capabilities which include, but are not limited to:

2.24.1. Enrolling with Medicaid and other third party payers.

2.24.2. Contracting with managed care organizations and insurance companies for MAT.

2.24.3. Having a proper understanding of the hierarchy of the billing process.

2.25. The Contractor shall assist patients with obtaining either on-site or off-site RSSs including, but not limited to:

2.25.1. Transportation.

2.25.2. Childcare.

2.25.3. Peer support groups.

2.25.4. Recovery coach.

2.26. The Contractor shall establish agreements with specialty treatment organizations that can provide higher levels of OUD treatment and co-occurring mental health treatment.

2.27. If training or other services on behalf of the Department involve the use of social media or a website which solicits information of individuals, the Contractor shall collaborate with the DHHS Communications Bureau to ensure that NH DoIT website requirements are met, and that any Protected Health Information (PHI), Substance Use Disorder treatment data (SUD), Personal Information (PI), or other confidential information solicited shall not be maintained, stored or captured and shall not be further disclosed except as expressly provided in the contract.

2.28. Unless specifically required by the contract and unless clear notice is provided to users of the website or social media, the Contractor shall ensure that site visitation is not tracked, disclosed or used for website or social media analytics or marketing.

2.29. The Contractor shall review treatment retention data on a quarterly basis, to identify why individuals may have left treatment early and determine how to improve retention in a CHOICES FOR FAMILIES team meeting to ensure performance improvement plans for services are developed for services provided through this contract.

3. Additional Scope of Services for Pregnant and Postpartum Women

3.1. The Contractor shall provide trauma-informed services and supports to pregnant and postpartum women up to twelve (12) months postpartum by ensuring counselors are trained in trauma-informed approaches including, but not limited to:

3.1.1. Impact of Adverse Childhood Experiences (ACE) and Adoption of Trauma-Informed Approaches in Integrated Settings.

3.1.2. Post-Traumatic Stress Disorder training.

3.2. The Contractor shall ensure patient-centered, effective, integrated care and attention to overdose prevention by using tools that include, but are not limited to care guidelines for Obstetric and Gynecologic (OB/GYN) providers and delivery hospitals developed by the Northern New England Perinatal Quality Improvement Network (NNEPQIN), when applicable.

3.3. The Contractor shall provide services to pregnant and postpartum women through CHOICES FOR FAMILIES, which is a multi-disciplinary partnership with Child and Family Services and Concord Hospital that utilizes evidence-based therapies and treatment when providing assistance to women with families and includes but is not limited to:

3.3.1. Evaluation for mental health and SUD needs.

3.3.2. Counseling.

3.3.3. Weekly MAT prescriptions using buprenorphine products including single-entity buprenorphine products and buprenorphine tablets or buprenorphine/naloxone films or injectable extended-release naltrexone.

3.3.4. Weekly check-ins to build trust and improve compliance.

3.3.5. Enhanced care for the mother and family using the NH Wraparound Model.

3.3.6. Home visiting.

3.3.7. Parent education with child care.

3.3.8. Flexible spending funds for items essential to recovery, which would not otherwise be covered by third party insurance or Medicaid.

3.3.9. Continuum of care SUD services including, but not limited to:

3.3.9.1. Individual and group counseling.

3.3.9.2. Intensive outpatient (IOP) treatment.

3.3.9.3. Peer support.

3.3.10. Hepatitis C (HCV) and Human Immunodeficiency Virus (HIV) prevention and diversion risk mitigation through partnership with Planned Parenthood.

3.3.11. Postpartum transfer of care to CHOICES or another appropriate MAT program.

3.3.12. Referral to higher levels of care, as needed, including residential care.

3.4. The Contractor shall ensure ongoing communication and care coordination with entities involved in the patients' care when applicable including, but not limited to:

3.4.1. Child protective services.

3.4.2. Treatment providers.

3.4.3. Home visiting services.

3.5. The Contractor shall ensure that treatment is provided in a child-friendly environment with RSS available to participants including, but not limited to:

3.5.1. Childcare in a setting that includes a two-way mirror between the parent's group room and the children's group room so parents can see their children.

3.5.2. Games and activities for the children of mothers receiving care.

3.6. The Contractor shall participate in the development of an infant Plan of Safe Care (POSC) with birth attendants, the infant's parents or guardians, and the Department for each infant affected by illicit substance use, withdrawal symptoms, or a Fetal Alcohol Spectrum Disorder in order to:

3.6.1. Ensure the safety and well-being of the infant.

3.6.2. Address the health and opioid use treatment needs of the infant and affected family members or caregivers.

3.6.3. Ensure that appropriate referrals are made.

3.6.4. Ensure that services are delivered to the infant and affected family members or caregivers.

3.7. The Contractor shall provide parenting supports to patients including, but not limited to:

3.7.1. Parenting groups, which may utilize the Positive Solutions for Families curriculum.

3.7.2. Childbirth education.

3.7.3. Safe sleep education.

3.7.4. Well child education.

3.8. The Contractor shall ensure outreach and marketing activities include, but are not limited to developing a brochure of common scenarios, specific to pregnant and parenting women, related to OUD that includes Regional Hub and contractor contact information for potential patients to be distributed to obstetrical/gynecological (OBGYN) practices.

4. Staffing

4.1. The Contractor shall provide MAT team staffing which includes, but is not limited to at least one (1):

4.1.1. Waivered prescriber.

4.1.2. Masters Licensed Alcohol and Drug Counselor (MLADC); or master licensed behavioral health provider with addiction training.

4.1.3. Care coordinator.

4.1.4. Non-clinical/administrative staff.

4.1.5. Peer Support specialist.

4.2. The Contractor shall expand staffing for the CHOICES FOR FAMILIES PROGRAM to include, but not be limited to:

4.2.1. One additional master's level clinician through CFS.

4.2.2. One half-time Enhanced Care Coordinator (ECC) through CFS.

4.2.3. Two (2) additional Certified Recovery Support Workers (CRSW).

4.3. The Contractor shall ensure that all unlicensed staff providing treatment, education, and/or RSS:

4.3.1. Are under the direct supervision of a licensed supervisor.

4.3.2. Receive confidentiality training pursuant to vendor policies and procedures in compliance of NH State administrative rule, and state and federal laws.

4.4. The Contractor shall ensure that no licensed supervisor supervises more than twelve (12) unlicensed staff, unless the Department has approved an alternative supervision plan.

4.5. The Contractor shall ensure that unlicensed staff providing clinical or RSS hold a CRSW within twelve (12) months of hire or from the effective date of this contract, whichever is later.

5. Training

5.1. The Contractor shall ensure the availability of initial and on-going training resources to all staff to include buprenorphine waiver training for interested physicians, nurse practitioners, and physician assistants.

5.2. The Contractor shall develop a plan, for Department approval, to train and engage appropriate staff regarding buprenorphine waiver training which includes, but is not limited to:

5.2.1. Myers & Stauffer Learning Community (MSLC).

5.2.2. Peer Recovery Coach Academy Training.

5.2.3. NH Wraparound Model training through the UNH Institute on Disability.

5.3. The Contractor shall participate in training and technical assistant activities as directed by the Department including, but not limited to the Community of Practice for MAT which may include, but is not limited to:

5.3.1. Project-specific trainings, including trainings on coordinating client referrals for collection of data through the Government Performance and Results Modernization Act of 2010 (GPRA).

5.3.2. Quarterly web-based discussions.

5.3.3. On-site technical assistance visits.

5.3.4. Ad hoc communication with expert consultants regarding MAT clinical care topics including, but not limited to:

5.3.4.1. HCV and HIV prevention.

5.3.4.2. Diversion risk mitigation.

5.3.4.3. Other relevant issues.

5.4. The Contractor shall train staff as appropriate on relevant topics including, but not limited to:

5.4.1. MAT (e.g. prescriber training for buprenorphine).

5.4.2. Care coordination.

5.4.3. Trauma-informed wrap around care/RSS delivery best practices.

5.4.4. Evidence-Based Practices (EBPs) such as Screening, Brief Intervention, and Referral to Treatment (SBIRT), Cognitive Behavioral Therapy (CBT), and other training needs.

5.4.5. Safeguarding protected health information (PHI), substance use disorder treatment information (SUD) and any individually identifiable patient information.

6. Reporting and Deliverable Requirements

6.1. The Contractor shall ensure their MAT Nurse Care Coordinators coordinate the sharing of client data and service needs with the Hub(s) to ensure that each patient served has a GPRA interview completed at intake, three (3) months, six (6) months, and discharge.

6.2. The Contractor shall gather and submit de-identified, aggregate patient data to the Department quarterly using a Department-approved method. The data collected will include, but not be limited to:

6.2.1. Diagnoses.

6.2.2. Demographic characteristics.

6.2.3. Substance use.

6.2.4. Services received.

6.2.5. Types of MAT received.

6.2.6. Length of stay in treatment.

6.2.7. Employment status.

6.2.8. Criminal justice involvement.

6.2.9. Housing.

6.3. The Contractor shall report quarterly on federally required data points specific to this funding opportunity as identified by SAMHSA.

6.4. The Contractor shall provide a final report with de-identified, aggregate data to the Department within thirty (30) days of the termination of the contract regarding work plan progress including, but not limited to:

6.4.1. Policies and practices established.

6.4.2. Outreach activities.

6.4.3. Demographics (gender, age, race, and ethnicity) of population served.

6.4.4. Outcome data (as directed by the Department).

6.4.5. Patient satisfaction findings.

6.4.6. Description of challenges encountered and action taken.

6.4.7. Other progress to date.

6.4.8. A sustainability plan to continue to provide MAT services to the target population(s) beyond the completion date of the contract, subject to approval by the Department.

6.5. The Contractor shall review treatment retention data, identify why individuals may have left treatment early, and determine ways to improve retention in a CHOICES FOR FAMILIES team meeting, at a minimum quarterly, to ensure performance improvement plans for services provided under this contract.

6.6. The Contractor shall develop patient consent forms for information sharing between CHOICES FOR FAMILIES and the local Hub, within thirty (30) days of contract approval.

6.7. The Contractor shall assign tracking of signed consents to a Clinical Coordinator upon the contract effective date.

6.8. The Contractor shall develop electronic methods of information sharing within ninety (90) days of contract approval.

7. Performance Measures

7.1. The Contractor shall ensure that 50% of individuals with OUD referred to the Contractor for MAT services receive at least three (3) clinically-appropriate, MAT-related services.

7.2. The Contractor shall ensure that 100% of clients seeking services under this proposed contract that enter care directly through the Contractor who consent to information sharing with the Hub(s) receive a Hub referral for ongoing care coordination

7.3. The Contractor shall ensure that 100% of patients referred to them by Hub(s) have proper consents in place for transfer of information for the purposes of data collection between the Hub(s) and the Contractor.

1. General

1.1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

1.2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded Contractor's current and/or future funding.

1.3. This contract is funded with funds from the US Department of Health and Human Services, Substance Abuse and Mental Health Administration, Catalog of Federal Domestic Assistance (CFDA #) 93.788.

1.4. The Contractor shall keep detailed records of their activities related to Department-funded programs and services.

1.5. Payment for said services shall be made monthly as follows:

1.5.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item.

1.5.2. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment.

1.5.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.

1.5.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

1.5.5. In lieu of hard copies, all invoices shall be assigned an electronic signature and emailed to Abby.Shockley@dhhs.nh.gov.

1.5.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.

1.6. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be made by written agreement of both parties and may be made without obtaining further approval from the Governor and Executive Council.

1.7. The Contractor shall provide a final budget for State Fiscal Year 2021 no later than March 31, 2020 for Department approval, which shall be submitted for Governor and Executive Council approval no later than June 30, 2020.

2. State Opioid Response (SOR) Grant Standards

2.1. In order to receive payments for services provided through SOR grant funded initiatives, the Contractor shall establish formal information sharing and referral agreements with all Hubs that comply with all applicable confidentiality laws, including 42 CFR Part 2.

2.2. The Contractor shall complete patient referrals to applicable Hubs for substance use disorder services within two (2) business days of a client's admission to the program.

2.3. The Contractor shall not receive payment for any invoices for services provided through SOR grant funded initiatives until the Department verifies that the Contractor has completed all required patient referrals; verification of patient referrals shall be completed through the New Hampshire Web Information Technology System (WITS) and through audits of Contractor invoices.

2.4. The Contractor shall ensure that only FDA-approved MAT for OUD is utilized. FDA-approved MAT for OUD includes:

2.4.1. Methadone.

2.4.2. Buprenorphine products, including:

2.4.2.1. Single-entity buprenorphine products.

2.4.2.2. Buprenorphine/naloxone tablets,

2.4.2.3. Buprenorphine/naloxone films.

2.4.2.4. Buprenorphine/naloxone buccal preparations.

2.4.2.5. Long-acting injectable buprenorphine products.

2.4.2.6. Buprenorphine implants.

2.4.2.7. Injectable extended-release naltrexone.

2.5. The Contractor shall only provide medical withdrawal management services to any individual supported by SOR Grant Funds if the withdrawal management service is accompanied by the use of injectable extended-release naltrexone, as clinically appropriate.

2.6. The Contractor shall provide the Department with timelines and implementation plans associated with SOR funded activities to ensure services are in place within thirty (30) days of the contract effective date.

2.6.1. If the Contractor is unable to offer services within the required timeframe, the Contractor shall submit an updated implementation plan to the Department for approval to outline anticipated service start dates.

2.6.2. The Department reserves the right to terminate the contract and liquidate unspent funds if services are not in place within ninety (90) days of the contract effective date.

2.7. The Contractor shall ensure that patients receiving financial aid for recovery housing utilizing SOR funds shall only be in a recovery housing facility that is aligned with the National Alliance for Recovery Residences standards and registered with the State of New Hampshire, Bureau of Drug and Alcohol Services in accordance with current NH Administrative Rules.

2.8. The Contractor shall assist patients with enrolling in public or private health insurance, if the client is determined eligible for such coverage.

2.9. The Contractor shall accept patients for MAT and facilitate access to MAT on-site or through referral for all clients supported with SOR Grant funds, as clinically appropriate.

2.10. The Contractor shall coordinate with the NH Ryan White HIV/AIDs program for patients identified as at risk of or with HIV/AIDS.

2.11. The Contractor shall ensure that all patients are regularly screened for tobacco use, treatment needs and referral to the QuitLine as part of treatment planning.

New Hampshire Department of Health and Human Services

Contractor name: Riverbend Community Mental Health, Inc.

Budget Request for: RFP-2019-BDAS-05-MEDIC

Budget Period: SFY 19 (Upon G&C approval - 6/30/2019)

Line Item	Total Program Cost: Direct	Total Program Cost: Indirect	Total Program Cost: Total	Contractor Share/Match: Direct	Contractor Share/Match: Indirect	Contractor Share/Match: Total	Funded by DHHS contract share: Direct	Funded by DHHS contract share: Indirect	Funded by DHHS contract share: Total
1. Total Salary/Wages	$ 53,000.00	$ -	$ 53,000.00	$ -	$ -	$ -	$ 53,000.00	$ -	$ 53,000.00
2. Employee Benefits	$ 16,914.00	$ -	$ 16,914.00	$ -	$ -	$ -	$ 16,914.00	$ -	$ 16,914.00
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 800.00	$ -	$ 800.00	$ -	$ -	$ -	$ 800.00	$ -	$ 800.00
12. Subcontracts/Agreements	$ 25,000.00	$ -	$ 25,000.00	$ -	$ -	$ -	$ 25,000.00	$ -	$ 25,000.00
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Uninsured Expenses	$ 40,000.00	$ -	$ 40,000.00	$ -	$ -	$ -	$ 40,000.00	$ -	$ 40,000.00
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 135,714.00	$ -	$ 135,714.00	$ -	$ -	$ -	$ 135,714.00	$ -	$ 135,714.00

Indirect As A Percent of Direct: 0.0%

Contractor Initials: PE

Date: 11/6/18

New Hampshire Department of Health and Human Services

Contractor name: Riverbend Community Mental Health, Inc.

Budget Request for: RFP-2019-BDAS-05-MEDIC

Budget Period: SFY20 (7/1/19-6/30/20)

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	$ 53,000.00	$ -	$ 53,000.00	$ -	$ -	$ -	$ 53,000.00	$ -	$ 53,000.00
2. Employee Benefits	$ 16,914.00	$ -	$ 16,914.00	$ -	$ -	$ -	$ 16,914.00	$ -	$ 16,914.00
3. Consultants	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4. Equipment:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rental	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Repair and Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Purchase/Depreciation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5. Supplies:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Educational	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lab	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pharmacy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Medical	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Office	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
6. Travel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
7. Occupancy	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8. Current Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Telephone	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Postage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Subscriptions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Legal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9. Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10. Marketing/Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11. Staff Education and Training	$ 800.00	$ -	$ 800.00	$ -	$ -	$ -	$ 800.00	$ -	$ 800.00
12. Subcontracts/Agreements	$ 25,000.00	$ -	$ 25,000.00	$ -	$ -	$ -	$ 25,000.00	$ -	$ 25,000.00
13. Other (specific details mandatory):	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Uninsured Expenses	$ 40,000.00	$ -	$ 40,000.00	$ -	$ -	$ -	$ 40,000.00	$ -	$ 40,000.00
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 135,714.00	$ -	$ 135,714.00	$ -	$ -	$ -	$ 135,714.00	$ -	$ 135,714.00

Indirect As A Percent of Direct: 0.0%

Contractor Initials: PE

Date: 11/6/18

SPECIAL PROVISIONS

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

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:

    7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
    7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

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

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

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:

8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.

9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

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

11. **Reports:** Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.
    11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
    11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
    13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

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

17. **Limited English Proficiency (LEP)**: As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections**: The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, $150,000)

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

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

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

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

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

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

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

19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed

19.5. DHHS shall, at its discretion, review and approve all subcontracts.

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

20. **Contract Definitions:**

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

20.2. DEPARTMENT: NH Department of Health and Human Services.

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

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

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

20.6. SUPPLANTING OTHER FEDERAL FUNDS: Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

Contractor Initials PE
Date 11/6/18

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

   10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

   10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

   10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

   10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

   10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Renewal:
   The Department reserves the right to extend this Agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

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

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

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

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
   1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name: Riverbend Community Mental Health Inc.

11/6/18
Date

Name:
Title:

CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Vendor Name: Riverbend Community Mental Health Inc

11/6/18
Date

Name:
Title:

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

Vendor Initials [illegible]
Date 11/6/18

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

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

PRIMARY COVERED TRANSACTIONS

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

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Riverbend Community Mental Health Inc

11/6/18
Date

Name:
Title:

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

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

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

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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

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

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

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

Vendor Name: Riverbend Community Mental Health Inc.

11/6/18
Date

Name:
Title:

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Vendor Name: Riverbend Community Mental Health Inc

11/6/18
Date

Name:
Title:

HEALTH INSURANCE PORTABLITY ACT
BUSINESS ASSOCIATE AGREEMENT

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

(1 **Definitions**.

a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.

c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.

d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.

e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.

f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.

g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, TitleXIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.

h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.

i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).

j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.

m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.

n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.

o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH
Act.

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

a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

b. Business Associate may use or disclose PHI:
   I. For the proper management and administration of the Business Associate;
   II. As required by law, pursuant to the terms set forth in paragraph d. below; or
   III. For data aggregation purposes for the health care operations of Covered Entity.

c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

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

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

(3) **Obligations and Activities of Business Associate.**

a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.

b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:

- The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- The unauthorized person used the protected health information or to whom the disclosure was made;
- Whether the protected health information was actually acquired or viewed
- The extent to which the risk to the protected health information has been mitigated.

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

c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.

d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.

e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

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

f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

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

(4) Obligations of Covered Entity

a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.

b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.

c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

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

(6) Miscellaneous

a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.

b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.

c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.

d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

Vendor Initials PE

Date 11/6/18

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services	Riverbend Community Mental Health, Inc.
The State	Name of the Vendor
Signature of Authorized Representative	Signature of Authorized Representative
Katja S. Fox	Peter Evers
Name of Authorized Representative	Name of Authorized Representative
Director	CEO
Title of Authorized Representative	Title of Authorized Representative
11/15/18	11/6/18
Date	Date

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

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.
In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

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

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.
The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:
The below named Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name: Riverbend Community Mental Health Inc.

11/6/18
Date

Name:
Title:

FORM A

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

1. The DUNS number for your entity is: 081289915

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

   X NO _____ YES

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

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

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

   _____ NO _____ YES

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

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

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

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, " Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

   Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.

5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.

8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.

5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.

6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.

7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.

8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.

10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.

11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.

13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at https://www.nh.gov/doit/vendor/index.htm for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.

14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.

16. The Contractor must ensure that all End Users:

    a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.

    b. safeguard this information at all times.

    c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.

    d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

e. limit disclosure of the Confidential Information to the extent permitted by law.

f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).

g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.

h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.

i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov