



Lori A. Shibinette  
Commissioner

Henry D. Lipman  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF MEDICAID SERVICES

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April 6, 2022

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 of Medicaid Services, to amend an existing contract with Elliott Health System (VC#174360), Manchester, NH, to continue administering the Maternal Opioid Misuse Model program, by increasing the price limitation by \$430,000 from \$1,238,172 to \$1,668,172 with no change to the contract completion date of December 31, 2024, effective upon Governor and Council approval. 100% Federal Funds.

The original contract was approved by Governor and Council on February 19, 2020, item #9 and most recently amended with Governor and Council approval on June 2, 2021, item #8.

Funds are available in the following account for State Fiscal Years 2022 and 2023, 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.

**05-95-47-470010-1371 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS  
DEPT, HHS: OFC MEDICAID SERVICES, DIVISION OF MEDICAID SERVICES, MATERNAL  
OPIOID MISUSE MODEL**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2020	102-500731	Contracts for Opr Svc	47000063	\$309,543	\$0	\$309,543
2021	102-500731	Contracts for Opr Svc	47000063	\$619,086	(\$59,950)	\$559,136
2022	102-500731	Contracts for Opr Svc	47000063	\$0	\$59,950	\$59,950
2022	074-500585	Grants for Pub Asst and Relief	47000063	\$309,543	\$215,000	\$524,543
2023	074-500585	Grants for Pub Asst and Relief	47000063	\$0	\$215,000	\$215,000
			<b>Total</b>	<b>\$1,238,172</b>	<b>\$430,000</b>	<b>\$1,668,172</b>

### **EXPLANATION**

The purpose of the Maternal Opioid Misuse Model is to test new and innovative ways to support pregnant and post-partum women with Opioid Use Disorder (OUD) through a five year grant funded by the Center for Medicare and Medicaid Services via its Center for Medicare and Medicaid Innovation. The New Hampshire Model focuses on experimenting with technology to create an integrated care management system for Model enrollees whereby all their providers are electronically connected. The hypothesis is that when providers are able to see and share data electronically about an enrollee in their care, there is stronger care coordination and support for her. Managing pre-natal and particularly post-partum care can be stressful for any woman, and can be especially challenging for those battling OUD at the same time. The Model enrollee is able to rely on the system to keep track of her services, appointments, and treatment. In addition, it allows multiple providers to follow up with an enrollee if she misses an appointment. Note that the Maternal Opioid Misuse Model is an "opt-in" program for eligible women. Pregnant and post-partum women with OUD are not required to participate in MOM to receive care and services.

The Model is currently only in the Greater Manchester area, however if successful it could be expanded to other parts of the state after the grant ends. Further, as this is a CMS innovation project; the New Hampshire Maternal Opioid Misuse Model could serve as a best practice model throughout the country for supporting pregnant and postpartum women with Opioid Use Disorder.

The Maternal Opioid Misuse Model is now in the third year of the five year grant period. Prior year awards have allowed Elliot Health Systems to hire staff, create marketing materials and stand up the technology platform for the care coordination infrastructure. The purpose of this request is to continue to support the Maternal Opioid Misuse Model program by modifying the Model Information Technology (IT) System; offering an Enrollee Incentive Program; and purchasing information technology devices to support community partners with implementation of the Maternal Opioid Misuse Model program. This request adds Year Three (3) grant funding received from the U.S. Centers for Medicare and Medicaid Services to support the Maternal Opioid Misuse Model program.

The Contractor will implement a federally-approved Enrollee Incentive Plan for Maternal Opioid Misuse Model program beneficiaries. The Enrollee Incentive Plan is designed to reduce the financial burden to families by incentivizing items that are related to pregnancy and post-partum child care items, while motivating beneficiaries to reach Maternal Opioid Misuse Model milestone goals.

The Contractor will purchase information technology devices for use in engaging Maternal Opioid Misuse Model beneficiaries with the Contractor and its subcontractor community partners. The Contractor will continue to modify and operate the Maternal Opioid Misuse Model IT System as approved by the Department and in compliance with Centers for Medicare and Medicaid Service Maternal Opioid Misuse Model requirements.

The Contractor will collaborate with community partners to engage in community-level planning to meet the needs of all Medicaid-eligible women with Opioid Use Disorders in the Greater Manchester community who are pregnant, may become pregnant and/or are postpartum, and their infants through the Maternal Opioid Misuse Model program.

It was originally estimated that the Maternal Opioid Misuse Model would serve approximately 250-300 individuals annually who are pregnant, may become pregnant and/or are postpartum, and their infants, in the Greater Manchester Area.



Due to the COVID-19 pandemic that began in New Hampshire along with the rest of the country in Mid-March 2020, CMS delayed the Maternal Opioid Misuse Model program implementation until July 1, 2021. For most of 2020, staff and resources from the Department, the Elliot Health System and the other community providers were fully focused on COVID-19 preparedness and response. Although COVID-related work is ongoing, the intensity of the crisis abated in the State over the summer of 2020 and all parties were able to resume work on moving forward with planning for the Maternal Opioid Misuse Model program.

Many of the planned activities outlined in the Department's grant application had been delayed as State and community resources are still being steered toward managing the pandemic, especially with the arrival of the Omicron variant in New Hampshire in December 2021. COVID-19 has also made it challenging for the Elliot Health System team to engage in outreach. In addition there has been considerable turn over within the Elliot team, particularly for the Community Health Worker role, who is primarily responsible for the case finding. As a result, Maternal Opioid Misuse Model program enrollment is quite below the projected estimate with a total of 17 enrollees as of the date of this letter. Now that it appears the COVID-19 pandemic has become more manageable and there is a new Community Health Worker at Elliot for the Maternal Opioid Misuse Model, it is expected that enrollment will increase as outreach activities resume. Further, The New Hampshire Maternal Opioid Misuse Model Team is currently in discussions with Centers for Medicare and Medicaid Services to revise the original estimates based on actual experience since July 1, 2021. There is no impact to the federal award if projections are lowered from the original estimate.

The Department will monitor contracted services by ensuring the development of:

- An Enrollee Incentive Plan.
- The Community Partner Information Technology and Reporting Plan.
- Updates and modifications to the Maternal Opioid Misuse Model Information Technology System.

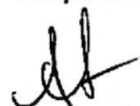
Should the Governor and Council not authorize this request, the Department will be unable to develop the Enrollee Incentive Plan to support and assist beneficiaries and their families with the financial burden initial child care items; to purchase and supply information technology devices to community partners; to enhance the Maternal Opioid Misuse Model Information Technology System; or to engage in community-level planning to address the various needs of this population, all of which would have a negative impact on pregnant and postpartum beneficiaries of the Maternal Opioid Misuse Model program.


Area served: Greater Manchester Area

Source of Federal Funds: CFDA #93.687, FAIN #2A2CMS331772

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

Respectfully submitted,



 Lori A. Shibinette  
Commissioner

**State of New Hampshire  
Department of Health and Human Services  
Amendment #2**

This Amendment to the Maternal Opioid Misuse Model contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Elliot Health System ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on February 19, 2020, (Item #9), as amended on June 2, 2021, (Item #8), 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. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$1,668,172.

2. Modify Exhibit A, Scope of Services by adding Section 3.15., to read:

3.15. The Contractor shall reduce the burden of initial costs related to post-partum and child care items by implementing a federally-approved Beneficiary Incentive Plan to motivate enrolled beneficiaries for reaching MOM Model milestone goals. The Contractor shall ensure:

3.15.1. Choices of incentive items are based on:

3.15.1.1. Feedback received from community providers and partnering agencies.

3.15.1.2. Items that are in highest demand during pregnancy and the postpartum period that can be a significant cost to the beneficiary, which may include but are not limited to:

3.15.1.2.1. Pack-N-Play Cribettes with Bassinettes.

3.15.1.2.2. Packages of diapers for infants/newborns.

3.15.1.2.3. Additional incentives that are subject to federal approval and written agreement of both parties.

3.15.1.3. Current research for safe sleep practices presented by the Sudden Unexpected Infant Death (SUID) committee.

3.15.2. Some incentives can be claimed only once by each eligible beneficiary and others can be won by raffle.

3.15.3. The Beneficiary Incentive Plan supports the MOM Model Performance Milestones by providing incentives for initial and continued engagement with services and providers. The Contractor shall ensure:

3.15.3.1. Beneficiaries completing the full intake and assessment for MOM Model Services receive a one-time incentive of a Pack-N-Play Cribette with Bassinette.

3.15.3.2. Beneficiaries receive a raffle ticket for every six (6) MOM Model

encounters met to be entered into a monthly diaper raffle.

- 3.15.4. All data collection and encounters are monitored using the Contractor's REDcap data collection system and assessments, re-assessments and improvements in care are monitored through the Contractor's Patient Activation Measure (PAM) Flourish system. The Contractor shall ensure:
    - 3.15.4.1. Staff provide statistical analysis of performance milestones utilizing the data elements provided by CMS through the Contractor's REDcap system.
    - 3.15.4.2. Real-time data is accessed and encounter forms are completed at each engagement.
    - 3.15.4.3. Data reports through the Contractor's REDcap system are utilized to identify beneficiary service encounters in order to verify appointments are kept.
    - 3.15.4.4. The Contractor's REDcap system is monitored by the MOM Model team in order to access current information that occurs in real time.
  - 3.15.5. Logs for costs, invoices, disbursements, receipts and beneficiary signatures indicating receipt of incentives from the program are created and maintained.
3. Modify Exhibit A, Scope of Services by adding Section 3.16., to read:
- 3.16. The Contractor shall purchase information technology devices including, but not limited to, tablets for use within the community for MOM Model encounters across Contractor and participating community partners. The Contractor shall:
    - 3.16.1. Maintain financial records on the inventory and disbursement of information technology devices.
    - 3.16.2. Ensure that documentation on purchases include, includes but is not limited to:
      - 3.16.2.1. Purchase orders.
      - 3.16.2.2. Invoices.
      - 3.16.2.3. Payment records.
    - 3.16.3. Maintain inventory of tracking numbers, inventory tags and inventory balances of disbursed and returned devices.
    - 3.16.4. Ensure Community Partners return devices, as deemed necessary, and maintain records for receipt of devices.
    - 3.16.5. Ensure disbursement records include, but are not limited to:
      - 3.16.5.1. Name of organization and name of individual receiving the device.
      - 3.16.5.2. Description of device issued.
      - 3.16.5.3. Tracking number on the inventory tag secured to the device.
      - 3.16.5.4. Authorization of receipt of the device.
4. Modify Exhibit A, Scope of Services by adding Section 3.17., to read:
- 3.17. The Contractor shall implement the MOM Model IT Infrastructure Plan, as approved by the Department, in compliance with CMS MOM Model Requirements. The Contractor shall:
    - 3.17.1. Prepare and plan key activities and milestones within two (2) months of the effective date of Amendment #2 to this Agreement, which includes, but is not

limited to:

- 3.17.1.1. Identifying goals, guiding principles and key performance indicators for the MOM Model IT Infrastructure.
- 3.17.1.2. Establishing a project plan and associated tools for project planning.
- 3.17.1.3. Planning the project kickoff.
- 3.17.2. Conduct a project kickoff and validate scope of the IT Infrastructure Project Plan within three (3) weeks from the completion of activities in Paragraph 3.17.1., which include, but are not limited to:
  - 3.17.2.1. Conducting a project kickoff meeting with stakeholders.
  - 3.17.2.2. Reviewing current EHR build and workflows.
  - 3.17.2.3. Analyzing current functionality and workflows.
  - 3.17.2.4. Validating the scope of the IT Infrastructure Project Plan.
  - 3.17.2.5. Identifying training requirements for MOM Model stakeholders.
- 3.17.3. Build the IT Infrastructure within six (6) weeks from the completion of activities in Paragraph 3.17.2., which includes, but is not limited:
  - 3.17.3.1. Building in patient indicators to:
    - 3.17.3.1.1. Identify MOM Model-related individuals;
    - 3.17.3.1.2. Include note templates and flowsheets; and
    - 3.17.3.1.3. Generate reports that show all encounters and deployment of MOM Model IT Infrastructure modifications.
  - 3.17.3.2. Validating workflows.
  - 3.17.3.3. Reviewing curriculum and providing updates, as necessary.
  - 3.17.3.4. Creating a training schedule on the system build, as needed.
- 3.17.4. Complete testing of the IT Infrastructure within four (4) weeks from the completion of activities in Paragraph 3.17.3., which includes, but is not limited to:
  - 3.17.4.1. Completing application testing.
  - 3.17.4.2. Completing integrated testing.
  - 3.17.4.3. Completing report validation and testing.
- 3.17.5. Complete Go-Live preparation and training within two (2) weeks from the completion of activities in Paragraph 3.17.4., which includes, but is not limited to:
  - 3.17.5.1. Conducting Go-Live readiness assessments.
  - 3.17.5.2. Conducting end-user training.
- 3.17.6. Facilitate Go Live and Transition to the system build changes within two (2) weeks from the completion of activities in Paragraph 3.17.5., which includes, but is not limited to:
  - 3.17.6.1. Supporting Go-Live.
  - 3.17.6.2. Resolving issues occurring during Go-Live.
  - 3.17.6.3. Providing stabilization support to end-users and administrators.
- 3.17.7. Identify the MOM Model IT Infrastructure Project Plan Team Members which are



subject to change based on approval by the Department, which include, but are not limited to:

3.17.7.1. One (1) Project Manager who is responsible for activities that include, but are not limited to:

3.17.7.1.1. Overseeing and coordinating the overall MOM Model IT Infrastructure Project Plan.

3.17.7.1.2. Managing IT resources.

3.17.7.1.3. Developing and maintaining the MOM Model IT Project Plan, Decision Tracker, Budget and project deliverables.

3.17.7.1.4. Coordinating the MOM Model IT Infrastructure training.

3.17.7.1.5. Coordinating the training plan and activities associated with communications and trainings.

3.17.7.2. A minimum of 1 Application Analysts who are responsible for activities that include, but are not limited to:

3.17.7.2.1. Assessing the MOM Model IT Infrastructure system build and creating new system requirements.

3.17.7.2.2. Completing the MOM Model IT Infrastructure system build and documenting system changes.

3.17.7.2.3. Performing unit and integrated testing.

5. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 2, to read:

2. This agreement is funded with 100% federal funds from the Center for Medicare and Medicaid Innovation, Maternal Opioid Misuse Model, as awarded on 12/16/2019, 12/17/2020 and 12/17/2021 by the Centers for Medicare and Medicaid Services (CMS), CFDA #93.687; FAIN 2A2CMS331772.

6. Modify Exhibit B, Payment Terms, Section 7.2., to read:

7.2. 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 budget line items in Exhibit B-1, Budget through Exhibit B-6, Amendment #2, Budget.

7. Modify Exhibit B-2, Budget by replacing in its entirety with Exhibit B-2, Amendment #2, Budget, which is attached hereto and incorporated by reference herein.

8. Modify Exhibit B-4, Budget by replacing in its entirety with Exhibit B-4, Amendment #2, Budget, which is attached hereto and incorporated by reference herein.

9. Add Exhibit B-5, Amendment #2, Budget, which is attached hereto and incorporated by reference herein.

10. Add Exhibit B-6, Amendment #2, Budget, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire  
Department of Health and Human Services

4/6/2022

Date

DocuSigned by:

*Henry D. Lipman*

Name: Henry D. Lipman

Title: Medicaid Director

Elliot Health System

3/29/22

Date

*W. Gregory Baxter, MD*  
Name: W. Gregory Baxter, MD  
Title: President

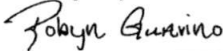
The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/6/2022

Date

DocuSigned by:



Name: Robyn Guarino

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

## Exhibit B-2, Amendment #2, Budget

	A	B	C
1			
2			
3	Maternal Opioid Misuse Model		
4	Operating Budget		
5			
6	Period: July 1, 2020 to December 31, 2020 (State Fiscal Year 2021)		
7			
8			
9	Line#	Item	Year 1
10	1	Total Salary/Wages (Clinic)	\$52,854
11	2	Employee Benefits	\$14,799
12	3	Project Administration & Collaboration	
13	4	IT Infrastructure and Reporting	
14		E.H.R. Build and Reporting	\$71,550
15		IT Hardware	\$7,500
16		IT Infrastructure	\$2,250
17		Data Sharing	\$60,000
18	5	Vouchers	
19		Transporation	
20		Child Care	
21	6	State Education and Training	
22	7	Travel	\$2,500
23	8	Occupancy	\$10,000
24		<b>Sub Total</b>	<b>\$221,453</b>
25	9	Contigency @ 10%	\$28,140
26		<b>Total</b>	<b>\$249,593</b>



## Exhibit B-4, Amendment #2, Budget

	A	B	C	D
1				
2				
3	Maternal Opioid Misuse Model			
4	Operating Budget			
5				
6	Period: July 1, 2021 to December 31, 2021 (State Fiscal Year 2022)			
7				
8				
9	Line#	Item	Item: Annual	Amount: 6 Months
10	1	Total Salary/Wages (Clinic)		\$96,500
11	2	Employee Benefits		\$25,220
12	3	Supplies		
13		Laptop	\$2,400	
14		Tablet	\$1,000	
15		cell phone	\$3,000	
16		misc. office supplies and furniture (paper, pens etc)	\$3,100	
17		Monitors	\$500	
18		Cables etc.	\$1,000	
19		Printers	\$1,000	
20		Office supplies	\$3,000	
21		Printing	\$1,200	
22		Sub Total Supplies		\$8,100
23	4	Information Technology		\$0
24	4.A.	SolutionHealth/Elliott Health System		
25		Total Salary/Wages	\$176,806	\$0
26		Employee Benefits	\$24,000	\$0
27		Supplies	\$4,940	\$0
28		Travel	\$1,000	\$0
29	4.B.	Sub-Contractors	\$120,000	\$0
30		Sub-Total Information Technology		\$163,373
31				
32	5	Travel		\$1,250
33	6	Other	\$0	
34		Translation Services	\$6,000	\$0
35		Marketing Materials	\$1,000	
36		Provider Information Technology	\$10,000	\$0
37		Storage	\$9,000	
38		Rent	\$35,000	
39		Equipment rental (copier)	\$4,800	
40		Utilities	\$2,400	
41		Contingency @ 10%	\$81,900	
42		Sub Total Other	\$0	\$75,050
43		Total		\$369,493
44				
45				
46				
47				

Elliott Health Systems

Contractor Initials: 

## Exhibit B-5, Amendment #2, Budget

	A	B	C	D
1				
2				
3		Maternal Opioid Misuse Model		
4		Operating Budget		
5				
6		Period: January 1, 2022 to June 30, 2022 (State Fiscal Year 2022)		
7				
8				
9	Line#	Item	Item: Annual	Amount: 6 Months
10	1	Total Salary/Wages (Clinic)		\$96,876
11	2	Employee Benefits		\$27,125
12	3	Supplies		
13		Laptop	\$0	
14		Tablet	\$0	
15		cell phone	\$3,000	
16		misc. office supplies and furniture (paper, pens etc)	\$0	
17		Monitors	\$0	
18		Cables etc.	\$0	
19		Printers	\$0	
20		Office supplies	\$3,000	
21		Printing	\$1,200	
22		Sub Total Supplies		\$3,600
23	4	Information Technology		\$0
24	4.A.	SolutionHealth/Elliott Health System		
25		Total Salary/Wages	\$50,000	\$0
26		Employee Benefits	\$14,000	\$0
27		Supplies	\$2,000	\$0
28		Travel	\$0	\$0
29	4.B.	Sub-Contractors	\$20,000	\$0
30		Sub-Total Information Technology		\$43,000
31				
32	5	Travel		\$0
33	6	Other	\$0	
34		Beneficiary Participation Incentives	\$30,000	
35		Translation Services	\$5,000	\$0
36		Marketing Materials	\$1,000	
37		Provider Information Technology	\$10,000	\$0
38		Storage	\$0	
39		Rent	\$23,428	
40		Equipment rental (copier)	\$4,800	
41		Utilities	\$2,400	
42		Contingency @ 10%	\$12,170	
43		Sub Total Other	\$0	\$44,399
44		<b>Total</b>		<b>\$215,000</b>
45				
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48				

## Exhibit B-6, Amendment #2, Budget

	A	B	C	D
1				
2				
3		Maternal Opioid Misuse Model		
4		Operating Budget		
5				
6		Period: July 1, 2022 to December 31, 2022 (State Fiscal Year 2023)		
7				
8				
9	Line#	Item	Item: Annual	Amount: 6 Months
10	1	Total Salary/Wages (Clinic)		\$96,876
11	2	Employee Benefits		\$27,125
12	3	Supplies		
13		Laptop	\$0	
14		Tablet	\$0	
15		cell phone	\$3,000	
16		misc. office supplies and furniture (paper, pens etc)	\$0	
17		Monitors	\$0	
18		Cables etc.	\$0	
19		Printers	\$0	
20		Office supplies	\$3,000	
21		Printing	\$1,200	
22		Sub Total Supplies		\$3,600
23	4	Information Technology		\$0
24	4.A.	SolutionHealth/Elliott Health System		
25		Total Salary/Wages	\$50,000	\$0
26		Employee Benefits	\$14,000	\$0
27		Supplies	\$2,000	\$0
28		Travel	\$0	\$0
29	4.B.	Sub-Contractors	\$20,000	\$0
30		Sub-Total Information Technology		\$43,000
31				
32	5	Travel		\$0
33	6	Other	\$0	
34		Beneficiary Participation Incentives	\$30,000	
35		Translation Services	\$5,000	\$0
36		Marketing Materials	\$1,000	
37		Provider Information Technology	\$10,000	\$0
38		Storage	\$0	
39		Rent	\$23,428	
40		Equipment rental (copier)	\$4,800	
41		Utilities	\$2,400	
42		Contingency @ 10%	\$12,170	
43		Sub Total Other	\$0	\$44,399
44		<b>Total</b>		<b>\$215,000</b>
45				
46				
47				
48				

# 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 HEALTH SYSTEM is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on June 25, 1999. 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: **320130**

Certificate Number: **0005441622**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 10th day of September A.D. 2021.

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

William M. Gardner  
Secretary of State



## CERTIFICATE OF AUTHORITY

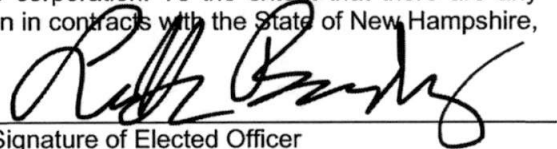
I, Loretta Brady, PhD, hereby certify that:

1. I am a duly elected Officer of Elliot Health System.
2. The following is a true copy of a vote taken at a meeting of the Board of Directors, duly called and held on May 21, 2020 at which a quorum of the Directors were present and voting.

**VOTED:** That W. Gregory Baxter, MD, is duly authorized on behalf of Elliot Health System to enter into contracts or agreements with the State 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: 3/8/2022



Signature of Elected Officer  
Name: Loretta Brady, PhD  
Title: Secretary



# CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)  
03/08/2022

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).

<b>PRODUCER</b> Willis Towers Watson Northeast, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	<b>CONTACT</b> 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														
<b>INSURED</b> SolutionHealth 4 Elliot Way, Suite 303 Manchester, NH 031033502	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Sentry Insurance Company</td> <td>24988</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Sentry Insurance Company	24988	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: Sentry Insurance Company	24988														
INSURER B:															
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

**COVERAGES**
**CERTIFICATE NUMBER:** W24105314

**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
	<b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	90-15563-001	01/01/2022	01/01/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

**CERTIFICATE HOLDER**
**CANCELLATION**

State of New Hampshire Department of Health and Human Services 129 Pleasant Street Concord, NH 03301-3857	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 
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# CERTIFICATE OF LIABILITY INSURANCE

 DATE (MM/DD/YYYY)  
09/07/2021

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

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<b>PRODUCER</b> Willis Towers Watson Northeast, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	<b>CONTACT NAME:</b> Willis Towers Watson Certificate Center <b>PHONE (A/C, No, Ext):</b> 1-877-945-7378 <b>FAX (A/C, No):</b> 1-888-467-2378 <b>E-MAIL ADDRESS:</b> certificates@willis.com														
<b>INSURED</b> Elliot Health System One Elliot Way Manchester, NH 03103	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Elliot Health System</td> <td>C2753</td> </tr> <tr> <td>INSURER B: Safety National Casualty Corporation</td> <td>15105</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Elliot Health System	C2753	INSURER B: Safety National Casualty Corporation	15105	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER B: Safety National Casualty Corporation	15105														
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

**COVERAGES**
**CERTIFICATE NUMBER:** W21942500

**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	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			SELF INSURED TRUST	07/01/2021	07/01/2022	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 0
							MED EXP (Any one person)	\$ 0
							PERSONAL & ADV INJURY	\$ 0
						GENERAL AGGREGATE	\$ 3,000,000	
						PRODUCTS - COMP/OP AGG	\$ 0	
							\$	
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
							\$	
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
							\$	
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	AGC4063712	09/01/2020	01/01/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$
							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)

**CERTIFICATE HOLDER**
**CANCELLATION**

State of NH NH DHHS 129 Pleasant Street Concord, NH 03301	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE</p> <p style="text-align: center;"><i>Julia M. Powers</i></p>
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# Elliot Health System Mission Statement

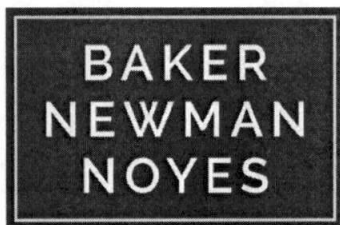
**Elliot Health System strives to:**

**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, 2021 and 2020  
With Independent Auditors' Report*

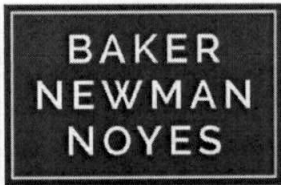
**ELLIOT HEALTH SYSTEM AND AFFILIATES**

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION**

June 30, 2021 and 2020

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Baker Newman & Noyes LLC  
MAINE | MASSACHUSETTS | NEW HAMPSHIRE  
800.244.7444 | [www.bnn CPA.com](http://www.bnn CPA.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, 2021 and 2020, 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, 2021 and 2020, 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.

Baku Newman & Noyes LLC

Manchester, New Hampshire  
October 26, 2021

**ELLIOT HEALTH SYSTEM AND AFFILIATES****CONSOLIDATED BALANCE SHEETS**

June 30, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$178,575,394	\$139,661,563
Accounts receivable (notes 2, 5 and 11)	41,155,570	30,174,519
Inventories	6,015,658	5,239,643
Amounts due from SolutionHealth, Inc.	16,350,952	3,304,846
Other current assets (notes 1, 2 and 15)	<u>9,705,801</u>	<u>24,291,775</u>
Total current assets	251,803,375	202,672,346
Property, plant and equipment, less accumulated depreciation (notes 4 and 5)	210,106,033	216,664,558
Investments (notes 6 and 13)	120,567,838	97,182,629
Other assets (notes 2 and 15)	9,063,418	11,349,656
Assets whose use is limited (notes 6 and 13):		
Board designated and donor restricted investments	168,119,113	143,245,413
Held by trustee under revenue bond and note agreements	—	172,853
Employee benefit plans and other (note 2)	29,554,709	22,248,589
Beneficial interest in perpetual trusts (note 2)	<u>9,060,947</u>	<u>7,564,017</u>
	<u>206,734,769</u>	<u>173,230,872</u>
Total assets	<u>\$798,275,433</u>	<u>\$701,100,061</u>

LIABILITIES AND NET ASSETS

	<u>2021</u>	<u>2020</u>
Current liabilities:		
Accounts payable and accrued expenses (note 1)	\$ 30,982,232	\$ 32,423,654
Accrued salaries, wages and related accounts	41,079,845	34,724,571
Accrued interest	1,699,725	1,707,456
Amounts due to SolutionHealth, Inc.	10,005,303	2,238,321
Amounts payable to third-party payors (notes 2 and 3)	71,480,248	75,135,643
Current portion of long-term debt (note 5)	<u>9,443,568</u>	<u>8,504,358</u>
Total current liabilities	164,690,921	154,734,003
Accrued pension (note 8)	64,597,669	129,071,866
Self-insurance reserves and other liabilities (note 2)	52,932,076	49,037,630
Long-term debt, less current portion (note 5)	<u>158,927,552</u>	<u>167,130,364</u>
Total liabilities	441,148,218	499,973,863
Net assets:		
Without donor restrictions	322,521,682	169,202,086
With donor restrictions (note 7)	<u>34,605,533</u>	<u>31,924,112</u>
Total net assets	357,127,215	201,126,198
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$798,275,433</u>	<u>\$701,100,061</u>

See accompanying notes.



**ELLIOT HEALTH SYSTEM AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Patient service revenues (note 3)	\$ 606,408,301	\$524,541,198
Investment income (note 6)	5,008,214	5,825,582
Other revenues (note 2)	<u>46,571,693</u>	<u>52,366,507</u>
Total operating revenues	657,988,208	582,733,287
Expenses (note 10):		
Salaries, wages and fringe benefits (note 8)	363,849,932	360,363,211
Supplies and other expenses (note 12)	193,396,674	159,143,945
Depreciation and amortization	22,641,699	21,873,770
New Hampshire Medicaid Enhancement Tax (note 14)	22,236,061	23,697,723
Interest	<u>6,310,742</u>	<u>6,859,877</u>
Total expenses	<u>608,435,108</u>	<u>571,938,526</u>
Income from operations	49,553,100	10,794,761
Nonoperating gains (losses), net:		
Investment return (loss), net (notes 2 and 6)	45,012,206	(866,753)
Other (notes 2 and 9)	(3,002,668)	(2,408,357)
Net periodic pension cost, net of service cost (note 8)	<u>(3,427,136)</u>	<u>(1,472,085)</u>
Nonoperating gains (losses), net	<u>38,582,402</u>	<u>(4,747,195)</u>
Excess of revenues and nonoperating gains (losses) over expenses	88,135,502	6,047,566
Transfer to SolutionHealth, Inc. (note 1)	(2,832,572)	(985,542)
Pension adjustment (note 8)	68,016,666	(30,045,939)
Transfer of balances between funds	<u>—</u>	<u>(28,666)</u>
Increase (decrease) in net assets without donor restrictions	<u>\$ 153,319,596</u>	<u>\$ (25,012,581)</u>

See accompanying notes.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**

Years Ended June 30, 2021 and 2020

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total Net Assets
Balances at July 1, 2019	\$194,214,667	\$27,063,225	\$221,277,892
Excess of revenues and nonoperating gains (losses) over expenses	6,047,566	—	6,047,566
Restricted gifts and bequests	—	4,907,277	4,907,277
Investment return, net (note 6)	—	163,282	163,282
Net unrealized loss on investments (notes 2 and 6)	—	(238,338)	(238,338)
Pension adjustment (note 8)	(30,045,939)	—	(30,045,939)
Transfer to SolutionHealth, Inc.	(985,542)	—	(985,542)
Transfer of balances between funds	<u>(28,666)</u>	<u>28,666</u>	<u>—</u>
(Decrease) increase in net assets	<u>(25,012,581)</u>	<u>4,860,887</u>	<u>(20,151,694)</u>
Balances at June 30, 2020	169,202,086	31,924,112	201,126,198
Excess of revenues and nonoperating gains (losses) over expenses	88,135,502	—	88,135,502
Restricted gifts and bequests	—	361,185	361,185
Investment return, net (note 6)	—	1,704,547	1,704,547
Net unrealized gain on investments (notes 2 and 6)	—	615,689	615,689
Pension adjustment (note 8)	68,016,666	—	68,016,666
Transfer to SolutionHealth, Inc.	<u>(2,832,572)</u>	<u>—</u>	<u>(2,832,572)</u>
Increase in net assets	<u>153,319,596</u>	<u>2,681,421</u>	<u>156,001,017</u>
Balances at June 30, 2021	<u>\$322,521,682</u>	<u>\$34,605,533</u>	<u>\$357,127,215</u>

See accompanying notes.

**ELLIOT HEALTH SYSTEM AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating activities and net gains and losses:		
Increase (decrease) in net assets	\$ 156,001,017	\$ (20,151,694)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities and net gains and losses:		
Depreciation and amortization	22,641,699	21,873,770
Loss on disposal of property, plant and equipment	2,512	81,812
Restricted investment income and net gain on investments	(1,704,547)	(163,282)
Restricted gifts and bequests	(361,185)	(4,907,277)
Transfer to SolutionHealth, Inc.	2,832,572	985,542
Pension adjustment	(68,016,666)	30,045,939
Net realized and unrealized (gains) and losses on investments	(44,987,770)	1,741,134
Changes in operating assets and liabilities:		
Accounts receivable	(10,981,051)	16,880,769
Inventories	(776,015)	(858,896)
Other current and noncurrent assets	16,872,212	(3,218,203)
Accounts payable and accrued expenses	(4,004,653)	(2,970,561)
Amounts due to/from SolutionHealth, Inc.	(5,279,124)	(1,066,525)
Accrued salaries, wages and related accounts	6,355,274	772,300
Accrued interest	(7,731)	(34,234)
Accrued pension	3,542,469	2,172,605
Self-insurance reserves and other liabilities	3,894,446	9,049,524
Amounts payable to third-party payors	(3,655,395)	54,623,311
Net cash provided by operating activities and net gains and losses	<u>72,368,064</u>	<u>104,856,034</u>
Investing activities:		
Acquisition of property, plant and equipment	(11,743,124)	(35,815,988)
Net change in assets whose use is limited	(1,608,230)	(8,653,671)
Net change in investments	<u>(10,293,106)</u>	<u>(21,273,633)</u>
Net cash used by investing activities	(23,644,460)	(65,743,292)
Financing activities:		
Proceeds from the issuance of long-term debt	—	20,850,000
Repayment of long-term debt	(9,042,933)	(7,582,707)
Restricted investment income and net gain on investments	1,704,547	163,282
Transfer to SolutionHealth, Inc.	(2,832,572)	(985,542)
Restricted gifts and bequests	<u>361,185</u>	<u>4,907,277</u>
Net cash (used) provided by financing activities	<u>(9,809,773)</u>	<u>17,352,310</u>
Increase in cash and cash equivalents	38,913,831	56,465,052
Cash and cash equivalents at beginning of year	<u>139,661,563</u>	<u>83,196,511</u>
Cash and cash equivalents at end of year	<u>\$ 178,575,394</u>	<u>\$ 139,661,563</u>
Supplemental disclosure for noncash transactions:		
Equipment purchases financed with a capital lease	\$ <u>1,700,008</u>	\$ —
Equipment purchases included in accounts payable at end of year	\$ <u>2,563,231</u>	\$ —

See accompanying notes.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

#### 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) under the 2013 and 2016 bond offerings. See note 5.

The sole corporate member of the System is SolutionHealth, Inc. SolutionHealth, Inc. performs certain administrative services on behalf of the System such as marketing, human resource functions, information technology services, finance and accounting, and materials management. These services are allocated and billed to the System on a monthly basis. For the year ended June 30, 2021, allocated amounts totaled \$56,256,323 which were comprised of \$35,654,118 in salaries, wages and employee benefits, and \$20,602,205 in nonsalaries expense. For the year ended June 30, 2020, allocated amounts totaled \$12,433,265 which were comprised of \$9,781,045 in salaries, wages and employee benefits, and \$2,652,220 in nonsalaries expense. The increase from prior year represents additional shared services transferred from the System to SolutionHealth, Inc. The System transferred \$2,832,572 and \$985,542 to SolutionHealth, Inc. during the years ended June 30, 2021 and 2020, respectively.

The System also participates in certain other strategic affiliation and joint operating agreements with outside entities.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

#### 2. **Significant Accounting Policies**

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

##### Principles of Consolidation

The consolidated financial statements include the accounts of EHS and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in the consolidation.

##### 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 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.

##### Accounts Receivable

Under the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, when an unconditional right to payment exists, subject only to the passage of time, the right is treated as a receivable. Patient accounts receivable for which the unconditional right to payment exists are receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due. Estimated uncollectible amounts are generally considered implicit price concessions that are a direct reduction to accounts receivable rather than allowance for doubtful accounts.

# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

### 2. Significant Accounting Policies (Continued)

#### Patient Service Revenues

Revenues generally relate to contracts with patients in which the System's performance obligations are to provide health care services to patients. Revenues are recorded during the period obligations to provide health care services are satisfied. Performance obligations for inpatient services are generally satisfied over a period of days. Performance obligations for outpatient services are generally satisfied over a period of less than one day. The contractual relationships with patients, in most cases, also involve a third-party payor (Medicare, Medicaid, managed care health plans and commercial insurance companies, including plans offered through the health insurance exchanges) and the transaction prices for the services provided are dependent upon the terms provided by Medicare and Medicaid or negotiated with managed care health plans and commercial insurance companies, the third-party payors. The payment arrangements with third-party payors for the services provided to related patients typically specify payments at amounts less than standard charges. Medicare generally pays for inpatient and outpatient services at prospectively determined rates based on clinical, diagnostic and other factors. Services provided to patients having Medicaid coverage are generally paid at prospectively determined rates per discharge, per identified service or per covered member. Agreements with commercial insurance carriers, managed care and preferred provider organizations generally provide for payments based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates. Management continually reviews the revenue recognition process to consider and incorporate updates to laws and regulations and the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals.

The collection of outstanding receivables for Medicare, Medicaid, managed care payers, other third-party payors and patients is the System's primary source of cash and is critical to its operating performance. The primary collection risks relate to uninsured patient accounts, including patient accounts for which the primary insurance carrier has paid the amounts covered by the applicable agreement, but patient responsibility amounts (deductibles and copayments) remain outstanding. Implicit price concessions relate primarily to amounts due directly from patients. Estimated implicit price concessions are recorded for all uninsured accounts, regardless of the aging of those accounts. Accounts are written off when all reasonable internal and external collection efforts have been performed. The estimates for implicit price concessions are based upon management's assessment of historical write-offs and expected net collections, business and economic conditions, trends in federal, state and private employer health care coverage and other collection indicators. Management relies on the results of detailed reviews of historical write-offs and collections at facilities that represent a majority of hospital revenues and accounts receivable (the "hindsight analysis") as a primary source of information in estimating the collectability of our accounts receivable. Management performs the hindsight analysis regularly, utilizing rolling twelve-months accounts receivable collection and write-off data. Management believes its regular updates to the estimated implicit price concession amounts provide reasonable estimates of revenues and valuations of accounts receivable. These routine, regular changes in estimates have not resulted in material adjustments to the valuations of accounts receivable or period-to-period comparisons of operations. At June 30, 2021 and 2020, estimated implicit price concessions of \$25,139,446 and \$19,805,457, respectively, had been recorded as reductions to accounts receivable balances to enable the System to record revenues and accounts receivable at the estimated amounts expected to be collected.



## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

##### 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 consolidated 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, 2021 and 2020, the System has recorded \$235,728 and \$275,607 of federal and state income taxes payable in accounts payable and accrued expenses, respectively. The total provision for federal and state current tax expense is recorded in other nonoperating gains (losses) and is \$1,657,809 and \$1,260,307 for the years ended June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020, the System has a deferred tax asset of \$3,021,679 and \$3,252,838 with a corresponding valuation allowance of \$790,726 and \$1,071,576, 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.

##### 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 consolidated statements of operations also include excess of revenues and nonoperating gains (losses) over expenses. Changes in net assets without donor restrictions which are excluded from excess of revenues and nonoperating gains (losses) over expenses, consistent with industry practice, include pension adjustments, transfers to or from affiliates and certain other reclassifications.

##### 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.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated 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 consolidated 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 and is included within investment return on the accompanying consolidated statements of changes in net assets.

##### 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 maximize returns over the long-term with prudent levels of risk, while providing the liquidity necessary to carry out capital replacement and improvement initiatives.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

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. From time to time, certain net assets and donor restrictions may have fair values less than the amount required to be maintained by donors or by law (underwater donor restricted net assets). The System has interpreted UPMIFA to permit spending from underwater donor restricted net assets in accordance with prudent measures required under the law. At June 30, 2021 and 2020, there were no underwater donor restricted net assets.

##### 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.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**2. Significant Accounting Policies (Continued)****Federal Grant Revenue and Expenditures**

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

**Retirement Benefits**

The System maintains a defined benefit pension plan that prior to December 31, 2019 covered qualifying employees, the Elliot Health System Pension Plan (the Plan). The benefits were based on years of service and the employee's compensation during the period of employment. See note 8 for changes to this pension plan.

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. Under this program, eligible employees may receive annual employer contributions to a System sponsored 403(b) plan or 401(k) plan. For the year ended June 30, 2020, annual employer contributions totaled 3% of annual employee base pay. In September 2020, the Board of Directors of the System voted to change the employer contribution from a fixed 3% of annual employee base pay to a yearly determined amount at the discretion of the Board of Directors of the System. For the year ended June 30, 2021, annual employer contributions totaled 3% of annual employee base pay.

The System also provides matching contributions at the discretion of the System to a 403(b) plan or 401(k) plan 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 \$4,962,401 and \$6,458,625 under these defined contribution plans for the years ended June 30, 2021 and 2020, 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, 2021 and 2020, \$29,554,709 and \$22,248,589, respectively, is reflected in assets whose use is limited and \$29,554,709 and \$22,248,589, 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.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

##### 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 \$13,811,000 and \$14,348,000 at June 30, 2021 and 2020, respectively, and is recorded in accrued salaries, wages and related accounts on the accompanying consolidated balance sheets.

##### Professional and General Liability Contingencies

The System is insured against professional and general liability 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, 2021, there were no known professional and general liability 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 professional and general liability claims in excess of insurance coverage may be asserted against the System.

In 2001, the System created a self-insurance trust to fund the related actuarially-determined liability for incurred but unpaid claims. The trust fund and related liability are included in the accompanying consolidated balance sheets. 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, 2021 and 2020, the System recorded a liability of \$15,730,731 and \$21,019,706, respectively, related to estimated professional liability losses relating to reported cases as well as potentially incurred but not reported claims which is included in self-insurance reserves and other liabilities on the consolidated balance sheets. At June 30, 2021 and 2020, the System also recorded a receivable of \$1,811,090 and \$2,515,159, respectively, related to estimated recoveries under insurance coverage provided by the self-insurance trust. At June 30, 2021, \$1,054,354 is included in other assets and \$756,736 is included in other current assets on the consolidated balance sheet. At June 30, 2020, the receivable is included in other assets on the consolidated balance sheet. It is the intention of management to fund the self-insurance trust as deemed necessary. The self-insurance trust has assets totaling \$4,496,586 and \$6,863,752 at June 30, 2021 and 2020, respectively, and is included within board designated and donor restricted investments in the accompanying consolidated balance sheets.



## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

##### 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 and amounts payable to third-party payors.

The fair value of all financial instruments approximates their relative book value as these financial instruments have short-term maturities or are recorded at fair value as disclosed in note 13.

##### Use of Estimates

The preparation of 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 date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used in the areas of accounts receivable, insurance costs, alternative investment funds, employee benefit plans, 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.

##### Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. The COVID-19 pandemic has significantly affected employees, patients, systems, communities and business operations, as well as the U.S. economy and financial markets. While some restrictions have been eased across the U.S. and the State of New Hampshire has lifted limitations on non-emergent procedures, some restrictions remain in place. Consolidated patient volumes and revenues experienced gradual improvement beginning in the latter part of April 2020, and continuing through fiscal year 2021, however uncertainty still exists as the future is unpredictable. The System's pandemic response plan has multiple facets and continues to evolve as the pandemic unfolds. The System has taken precautionary steps to enhance its operational and financial flexibility, and react to the risks the COVID-19 pandemic presents in its operations.



**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

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

In 2021 and 2020, the federal government and certain state governments provided financial assistance to healthcare systems as a result of the COVID-19 pandemic. During the fourth quarter of fiscal 2020, the System received approximately \$49.4 million of accelerated Medicare payments and was awarded \$11.5 million from the \$50 billion general distribution fund and \$8.6 million of targeted Provider Relief Fund distributions, as provided for under the *Coronavirus Aid Relief, and Economic Security Act* (CARES Act). Funds related to targeted distributions were received in July 2020 and were included in other current assets at June 30, 2020 on the accompanying consolidated balance sheets. In fiscal 2021, the System received approximately \$4.8 million in general Provider Relief Fund distributions.

Distributions from the Provider Relief Fund are not subject to repayment, provided the System is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for healthcare-related expenses or lost revenue attributable to COVID-19. Such payments are accounted for as government grants, and are recognized on a systematic and rational basis as other income once there is reasonable assurance that the applicable terms and conditions required to retain the funds will be met. Based on an analysis of the compliance and reporting requirements of the Provider Relief Fund and the impact of the pandemic on operating results through June 30, 2021 and 2020, the System recognized \$4.8 million and \$20.1 million related to these distribution funds recorded within other revenue in the consolidated statements of operations and changes in net assets for the years ended June 30, 2021 and 2020, respectively.

The CARES Act also provides for a deferral of payments of the employer portion of payroll tax incurred during the pandemic, allowing half of such payroll taxes to be deferred until December 2021 and the remaining half until December 2022. At June 30, 2021, the System had deferred balances of payroll taxes totaling \$9.3 million of which \$4.5 million is included under the caption "accrued salaries, wages and related accounts" and \$4.8 million is included under the caption "self-insurance reserves and other liabilities" in the accompanying consolidated balance sheets. At June 30, 2020, the System had deferred balances of payroll taxes totaling \$3.1 million which were included under the caption "self-insurance reserves and other liabilities" in the accompanying consolidated balance sheets.

During fiscal year 2021, the System received grants totaling approximately \$8.6 million from the Governor's Office of Emergency Relief and Recovery (GOFERR). These payments are accounted for as government grants and are not subject to repayment, provided the System is able to comply with the conditions of the funding, including demonstrating that the distributions received have been used for healthcare-related expenses or lost revenue attributable to COVID-19. The System believes it met the terms and conditions of these grants in the fiscal year ended June 30, 2021 and these payments are recorded within other revenue in the consolidated statements of operations and changes in net assets for the year ended June 30, 2021.

The System will continue to monitor compliance with the terms and conditions of the Provider Relief Fund, GOFERR grants, and other potential assistance programs and available grants, and the impact of the pandemic on revenues and expenses. If the System is unable to attest to or comply with current or future terms and conditions, the System's ability to retain some or all of the distributions received may be impacted.

# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

### 2. Significant Accounting Policies (Continued)

#### Reclassifications

Certain 2020 amounts have been reclassified to permit comparison with the 2021 consolidated 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 consolidated financial statements. Management has evaluated subsequent events through October 26, 2021 which is the date the consolidated financial statements were available to be issued.

#### Recent Accounting Pronouncements

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 (ASU 2018-13). 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 was effective for the System on July 1, 2020. The adoption of this ASU did not have a significant impact on the System's consolidated financial statements.

#### Prospective Accounting Pronouncements

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 enhances the presentation of disclosure requirements for contributed nonfinancial assets. ASU 2020-07 requires entities to present contributed nonfinancial assets as a separate line item in the statement of operations and disclose the amount of contributed nonfinancial assets recognized within the statement of operations by category that depicts the type of contributed nonfinancial assets, as well as a description of any donor-imposed restrictions associated with the contributed nonfinancial assets and the valuation techniques used to arrive at a fair value measure at initial recognition. ASU 2020-07 is effective for the System beginning July 1, 2021. The System is currently evaluating the impact of the pending adoption of ASU 2020-07 on its consolidated financial statements, however, does not anticipate it will result in a significant change.

In February 2016, the FASB issued ASU No. 2016-02 *Leases (Topic 842)* (ASU 2016-02). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. ASU 2016-02 is effective for the System on July 1, 2022, with early adoption permitted. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. The System is currently evaluating the impact of the pending adoption of ASU 2016-02 on the consolidated financial statements.

# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

### 2. Significant Accounting Policies (Continued)

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which provides companies with optional expedients and exceptions to ease the potential accounting burden associated with transitioning away from reference rates that are expected to be discontinued. The optional expedients may be applied to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of the reference rate reform. The amendments in this update are effective for all entities as of March 12, 2020 and may be adopted using a prospective approach through December 31, 2022. Management is currently evaluating the impact of the guidance and may apply elections as applicable as additional changes in the market occur during the LIBOR transition period.

### 3. Patient Service Revenues

An estimated breakdown of patient service revenue recognized from major payor sources, is as follows for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Private payors (includes coinsurance and deductibles)	\$388,593,372	\$327,363,066
Medicaid	49,989,808	49,241,724
Medicare	163,259,064	144,276,415
Self-pay	<u>4,566,057</u>	<u>3,659,993</u>
	<u>\$606,408,301</u>	<u>\$524,541,198</u>

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 patient service revenue earned from the Medicare and Medicaid programs was 28% and 6%, respectively, in 2021 and 2020.

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 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 (decreased) patient service revenues by approximately \$600,000 and \$(1,700,000) in 2021 and 2020, respectively.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

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

During the fourth quarter of fiscal 2020, the System requested accelerated Medicare payments as provided for in the CARES Act, which allows for eligible health care facilities to request up to six months of advance Medicare payments for acute care hospitals or up to three months of advance Medicare payments for other health care providers. Recoupments will be made by applying claims for services provided to Medicare beneficiaries to the advance payment balance. One year from the date of receipt of the advance payments (beginning April 2021) 25% of the amounts advanced will be recouped in the first eleven months. An additional 25% of the amounts advanced will be recouped in the next six months with the entire amount repayable in 29 months. Any outstanding balance after 29 months is repayable at a 4% interest rate. During the year ended June 30, 2020, the System received approximately \$49.4 million from these accelerated Medicare payment requests. No recoupments were made during the year ended June 30, 2020. Recoupments totaling approximately \$5.8 million were made during the year ended June 30, 2021, resulting in a remaining liability totaling approximately \$43.6 million which is included under the caption "amounts payable to third-party payors" in the accompanying consolidated balance sheets.

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:

	<u>2021</u>	<u>2020</u>
Operating properties:		
Land and land improvements	\$ 10,470,365	\$ 10,470,365
Buildings and fixed equipment	240,973,492	226,174,563
Major movable equipment	234,859,824	220,171,904
Construction and projects in progress	<u>16,009,146</u>	<u>29,663,682</u>
	502,312,827	486,480,514
Less accumulated depreciation	<u>(325,037,107)</u>	<u>(304,736,352)</u>
	177,275,720	181,744,162
Rental properties:		
Land and land improvements	9,967,964	9,961,263
Buildings and fixed equipment	53,293,255	53,277,732
Major movable equipment	139,656	139,656
Construction and projects in progress	<u>33,728</u>	<u>20,003</u>
	63,434,603	63,398,654
Less accumulated depreciation	<u>(30,604,290)</u>	<u>(28,478,258)</u>
	<u>32,830,313</u>	<u>34,920,396</u>
Net property, plant and equipment	<u>\$ 210,106,033</u>	<u>\$ 216,664,558</u>

# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

### 5. Debt

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

	<u>2021</u>	<u>2020</u>
New Hampshire Health and Education Facilities Authority:		
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 \$5,965,000 to \$10,915,000 through October 2038	\$ 134,055,000	\$ 138,870,000
Plus unamortized original issue premium/discount	<u>15,241,051</u>	<u>15,936,280</u>
	149,296,051	154,806,280
Equipment financing with a fixed interest rate of 1.92% with required monthly principal payments ranging from \$160,646 to \$187,594 through August 2029 and is secured by related equipment	17,029,993	18,937,845
Elliot Hospital Obligated Group Series 2013 Bonds with a fixed interest rate of 2.05% per year and a total monthly payment of principal and interest of \$217,925. Paid in full during fiscal year 2021	—	869,551
Equipment lease financing with required monthly principal payments of \$5,833 through December 2025	280,000	350,000
Equipment lease financing with required annual principal payments ranging from \$559,199 to \$602,233 through fiscal year 2023	1,161,432	—
Notes payable – see below	<u>1,050,000</u>	<u>1,150,000</u>
	168,817,476	176,113,676
Less current portion	(9,443,568)	(8,504,358)
Less net unamortized bond issuance costs	<u>(446,356)</u>	<u>(478,954)</u>
	<u>\$ 158,927,552</u>	<u>\$ 167,130,364</u>

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, 2021 and 2020, the balance of defeased 2009 Series Bonds payable not included in the accompanying consolidated balance sheets was \$122,090,000 and \$123,270,000, respectively.

In 2019, the Hospital entered into a ten year \$20,500,000 equipment financing agreement with Bank of America to acquire various property and equipment. Certain proceeds of the financing are held by a trustee, under the terms of an escrow agreement which allow for withdrawals only for approved purchases. Total amounts withdrawn in fiscal year 2021 totaled \$171,222.

The Obligated Group's agreement with the New Hampshire Health and Education Facilities Authority for the 2016 Bond 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, 2021 and 2020, the Hospital was in compliance with all required financial covenants.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**5. Debt (Continued)**

The System has a note payable in the amount of \$1,050,000 and \$1,150,000 at June 30, 2021 and 2020, 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 \$6,318,473 and \$6,894,111 for the years ended June 30, 2021 and 2020, respectively. There was no interest capitalized for the years ended June 30, 2021 and 2020.

Aggregate annual principal payments required under the bonds and note agreements for each of the five years ending June 30 are approximately as follows: 2022 - \$9,444,000; 2023 - \$8,410,000; 2024 - \$8,178,000; 2025 - \$8,549,000; and 2026 - \$8,861,000.

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% (1.24% at June 30, 2021). At June 30, 2021 and 2020, 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.

**6. Investments and Assets Whose Use is Limited**

Investments and assets whose use is limited at fair value are comprised of the following at June 30:

	<u>2021</u>	<u>2020</u>
Cash and equivalents	\$ 17,687,858	\$ 6,201,595
Marketable equity securities	160,213,388	141,956,914
Fixed income securities	88,802,874	70,256,512
U.S. Government obligations	—	9,644,226
Investments in real assets	6,097,611	—
Employee benefit plans and other	29,554,709	22,248,589
Beneficial interest in perpetual trusts	9,060,947	7,564,017
Alternative investments	<u>15,885,220</u>	<u>12,541,648</u>
	<u>\$327,302,607</u>	<u>\$270,413,501</u>



# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

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:

	<u>2021</u>	<u>2020</u>
Board designated:		
Capital, working capital and community service	\$131,619,518	\$110,461,314
Self-insurance	<u>4,496,586</u>	<u>6,863,752</u>
	136,116,104	117,325,066
Donor restricted and other	<u>32,003,009</u>	<u>25,920,347</u>
	<u>\$168,119,113</u>	<u>\$143,245,413</u>

Funds held by trustee under revenue bond and note agreements are comprised of the following at June 30, 2020:

Debt service funds	\$ 1,631
Equipment lease financing funds	<u>171,222</u>
	<u>\$172,853</u>

There are no funds held by trustee under revenue bond and note agreements at June 30, 2021.

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

	<u>2021</u>	<u>2020</u>
Unrestricted investment income and net gains and losses on investments are summarized as follows:		
Investment income	\$ 5,008,214	\$ 5,825,582
Nonoperating investment income	640,125	636,043
Realized gains (losses) on sale of investments, net	26,531,635	(1,006,265)
Net unrealized gains (losses) on investments	<u>17,840,446</u>	<u>(496,531)</u>
	50,020,420	4,958,829
Restricted investment income and net gains and losses on investments are summarized as follows:		
Investment income and net income on investments	1,704,547	163,282
Net unrealized gains (losses) on investments	<u>615,689</u>	<u>(238,338)</u>
	<u>2,320,236</u>	<u>(75,056)</u>
Total restricted and unrestricted	<u>\$52,340,656</u>	<u>\$ 4,883,773</u>

# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

### 7. Net Assets With Donor Restrictions

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

	<u>2021</u>	<u>2020</u>
Purpose restriction:		
Health care services	\$17,590,567	\$16,922,811
Equipment and capital improvements	1,078,537	674,698
Education and scholarships	<u>48,160</u>	<u>40,915</u>
	18,717,264	17,638,424
Perpetual in nature:		
Investments, gains and income from which is donor restricted	11,237,429	9,634,848
Investments, gains and income from which is released to net assets without donor restrictions	<u>4,650,840</u>	<u>4,650,840</u>
	15,888,269	14,285,688
Total net assets with donor restrictions	<u>\$34,605,533</u>	<u>\$31,924,112</u>

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:

	<u>2021</u>	<u>2020</u>
Changes in benefit obligation:		
Projected benefit obligations, beginning of year	\$(433,779,248)	\$(392,712,498)
Service cost	(1,857,334)	(5,700,520)
Interest cost	(11,707,578)	(13,437,944)
Benefits paid	10,716,673	9,609,711
Actuarial gain (loss)	4,757,304	(52,072,772)
Administrative expenses paid	1,527,300	1,807,835
Curtailment gain	<u>—</u>	<u>18,726,940</u>
Projected benefit obligations, end of year	<u>\$(430,342,883)</u>	<u>\$(433,779,248)</u>
Changes in plan assets:		
Fair value of plan assets, beginning of year	\$ 304,707,382	\$ 295,859,177
Actual return on plan assets	71,539,805	15,265,751
Contributions by plan sponsor	1,742,000	5,000,000
Benefits paid	(10,716,673)	(9,609,711)
Actual administrative expense paid	<u>(1,527,300)</u>	<u>(1,807,835)</u>
Fair value of plan assets, end of year	<u>\$ 365,745,214</u>	<u>\$ 304,707,382</u>

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**8. Retirement Benefits (Continued)**

	<u>2021</u>	<u>2020</u>
Funded status:		
Fair value of plan assets	\$ 365,745,214	\$ 304,707,382
Projected benefit obligations	<u>(430,342,883)</u>	<u>(433,779,248)</u>
Funded status of the plan	<u>\$ (64,597,669)</u>	<u>\$ (129,071,866)</u>

The accumulated benefit obligation at June 30, 2021 and 2020 was \$430,342,883 and \$433,779,248, respectively.

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

	<u>2021</u>	<u>2020</u>
Net liability recognized	<u>\$(64,597,669)</u>	<u>\$(129,071,866)</u>

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

	<u>2021</u>	<u>2020</u>
Discount rate July 1, 2020 through June 30, 2021	2.81%	N/A
Discount rate January 1, 2020 through June 30, 2020	N/A	2.74
Discount rate July 1, 2019 through December 31, 2019	N/A	3.29

In 2021, the System began using the MP-2020 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:

	<u>2021</u>	<u>2020</u>
Net actuarial loss	<u>\$49,750,738</u>	<u>\$117,767,404</u>
Total amount recognized by the System	<u>\$49,750,738</u>	<u>\$117,767,404</u>

## ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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, 2021 and 2020 (see note 13 for level definitions):

	Target Allocation	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Signif- icant Observ- able Inputs (Level 2)	Signif- icant Unob- servable Inputs (Level 3)
<u>2021</u>					
Short-term investments:	5%				
Cash and sweeps		\$ 31,279,313	\$ 31,279,313	\$ —	\$ —
Equity securities:	40%				
Common stock		146,999,045	146,999,045	—	—
Mutual funds		45,906,905	45,906,905	—	—
Other equities		9,543,525	9,543,525	—	—
Fixed income securities:	55%				
Corporate and foreign bonds		<u>131,505,033</u>	<u>—</u>	<u>131,505,033</u>	<u>—</u>
		365,233,821	<u>\$233,728,788</u>	<u>\$131,505,033</u>	<u>\$ —</u>
Unallocated insurance contract		<u>511,393</u>			
		<u>\$365,745,214</u>			
<u>2020</u>					
Short-term investments:	5%				
Cash and sweeps		\$ 19,044,611	\$ 19,044,611	\$ —	\$ —
Equity securities:	40%				
Mutual funds		164,689,588	164,689,588	—	—
Fixed income securities:	55%				
Corporate and foreign bonds		<u>120,428,294</u>	<u>—</u>	<u>120,428,294</u>	<u>—</u>
		304,162,493	<u>\$183,734,199</u>	<u>\$120,428,294</u>	<u>\$ —</u>
Unallocated insurance contract		<u>544,889</u>			
		<u>\$304,707,382</u>			

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**8. Retirement Benefits (Continued)**

The plan's primary investment objective is to ensure sufficient funds are available to meet the plan's benefit and expense obligations and to maintain compliance with regulatory funding requirements. Plan assets are invested in a prudent manner to meet the obligation of providing benefits to plan participants and their beneficiaries. The plan's portfolio primarily invests in a diversified portfolio of public equity, public debt, multi asset, and liability hedging investments.

The plan's secondary investment objective is to effectively manage the surplus/(deficit) risk between plan assets and plan liabilities. An effective hedging strategy may be considered in the investment program to mitigate interest rate risk in the plan, as the present value of the plan's liabilities are sensitive to changes in interest rates. The investment program shall consider the potential negative impact of fluctuating interest rates on the surplus/(deficit).

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:

	<u>2021</u>	<u>2020</u>
Service cost	\$ 1,857,334	\$ 5,700,520
Interest cost	11,707,578	13,437,944
Expected return on plan assets	(18,685,655)	(18,508,579)
Amortization:		
Actuarial loss	<u>10,405,213</u>	<u>6,542,720</u>
Net periodic pension cost	<u>\$ 5,284,470</u>	<u>\$ 7,172,605</u>

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

	<u>2021</u>	<u>2020</u>
Discount rate July 1, 2020 through June 30, 2021	2.74%	N/A
Discount rate January 1, 2020 through June 30, 2020	N/A	3.29%
Discount rate July 1, 2019 through December 31, 2019	N/A	3.55

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 2022 totals \$7,089,022.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**8. Retirement Benefits (Continued)***Contributions*

The System does not expect to contribute to its pension plan in 2022.

*Estimated Future Benefit Payments*

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

<u>Fiscal Year</u>	<u>Pension Benefits</u>
2022	\$ 12,842,800
2023	14,221,900
2024	15,590,700
2025	16,827,300
2026	17,886,600
Years 2027 – 2031	102,060,800

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 was 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 stopped accruing on December 31, 2019. This amendment impacted 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 recognized a gain of approximately \$18.7 million related to this change which is included in the pension adjustment in the consolidated statements of operations and the consolidated statements of changes in net assets.

**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.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**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 provided services to Medicare and Medicaid recipients. Reimbursement for such services is at rates substantially below cost.

The estimated cost of providing community benefits for the years ended June 30, 2021 and 2020 are summarized below:

	<u>2021</u>	<u>2020</u>
Charity care	\$ 8,559,989	\$ 9,847,148
Community programs and subsidized services	1,848,658	2,129,916
Government-sponsored programs	<u>135,582,830</u>	<u>120,457,368</u>
	<u>\$145,991,477</u>	<u>\$132,434,432</u>

In addition, the System provides a significant amount of uncompensated care to patients that are reported as implicit price concessions. For the years ended June 30, 2021 and 2020, the System reported implicit price concession revenue deductions of \$22,165,068 and \$21,938,731, 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, 2021 and 2020:

	<u>Health Services</u>	<u>General and Administrative</u>	<u>Total</u>
<u>2021</u>			
Salaries, wages and fringe benefits	\$272,503,575	\$ 91,346,357	\$363,849,932
Supplies and other expenses	136,643,793	56,752,881	193,396,674
Interest	3,168,433	3,142,309	6,310,742
New Hampshire Medicaid Enhancement Tax	22,236,061	—	22,236,061
Depreciation and amortization	<u>8,590,724</u>	<u>14,050,975</u>	<u>22,641,699</u>
	<u>\$443,142,586</u>	<u>\$165,292,522</u>	<u>\$608,435,108</u>



**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**10. Functional Expenses (Continued)**

	<u>Health Services</u>	<u>General and Administrative</u>	<u>Total</u>
<u>2020</u>			
Salaries, wages and fringe benefits	\$266,915,749	\$ 93,447,462	\$360,363,211
Supplies and other expenses	109,562,313	49,581,632	159,143,945
Interest	3,444,137	3,415,740	6,859,877
New Hampshire Medicaid Enhancement Tax	23,697,723	—	23,697,723
Depreciation and amortization	<u>8,179,236</u>	<u>13,694,534</u>	<u>21,873,770</u>
	<u>\$411,799,158</u>	<u>\$160,139,368</u>	<u>\$571,938,526</u>

The consolidated 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 to which they are identified.

**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:

	<u>2021</u>	<u>2020</u>
Medicare	33%	33%
Medicaid	12	13
Managed care and other	25	26
Patients (self pay)	11	15
Anthem Blue Cross	<u>19</u>	<u>13</u>
	<u>100%</u>	<u>100%</u>

**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, 2021 and 2020 was \$11,261,871 and \$12,135,435, respectively.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**12. Leases (Continued)**

Future minimum lease payments required under operating leases as of June 30, 2021 are as follows:

Year Ending June 30:

2022	\$ 5,657,529
2023	5,350,284
2024	4,988,884
2025	4,913,877
2026	4,937,320
Thereafter	<u>20,362,663</u>
	<u>\$46,210,557</u>

**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:

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

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

**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 two 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.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

**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:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>2021</u>				
Investments and assets whose use is limited:				
Cash and equivalents	\$ 17,687,858	\$ 17,687,858	\$ —	\$ —
Marketable equity securities:				
Common stocks	160,213,388	160,213,388	—	—
Fixed income securities:				
Governmental and municipal bonds	932,510	—	932,510	—
Corporate bonds	87,237,484	—	87,237,484	—
Foreign bonds	632,880	—	632,880	—
Investments in real assets	6,097,611	6,097,611	—	—
Beneficial interests in perpetual trusts	9,060,947	9,060,947	—	—
Employee benefit plans and other	<u>29,554,709</u>	<u>29,554,709</u>	<u>—</u>	<u>—</u>
Investments and assets whose use is limited	311,417,387	<u>\$222,614,513</u>	<u>\$88,802,874</u>	<u>\$ —</u>
Alternative investments	<u>15,885,220</u>			
Total assets	<u>\$327,302,607</u>			
<u>2020</u>				
Investments and assets whose use is limited:				
Cash and equivalents	\$ 6,201,595	\$ 6,201,595	\$ —	\$ —
Marketable equity securities:				
Common stocks	141,956,914	141,956,914	—	—
Fixed income securities:				
Governmental and municipal bonds	735,013	—	735,013	—
Corporate bonds	68,808,386	—	68,808,386	—
Foreign bonds	713,113	—	713,113	—
U.S. Government obligations	9,644,226	—	9,644,226	—
Beneficial interests in perpetual trusts	7,564,017	7,564,017	—	—
Employee benefit plans and other	<u>22,248,589</u>	<u>22,248,589</u>	<u>—</u>	<u>—</u>
Investments and assets whose use is limited	257,871,853	<u>\$177,971,115</u>	<u>\$79,900,738</u>	<u>\$ —</u>
Alternative investments	<u>12,541,648</u>			
Total assets	<u>\$270,413,501</u>			

# ELLIOT HEALTH SYSTEM AND AFFILIATES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

### 13. Fair Value Measurements (Continued)

The alternative investments consist of interests in twelve and nine funds at June 30, 2021 and 2020, respectively, that are not actively traded.

#### 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:

<u>Investment</u>	<u>Net Asset Value</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
<u>2021</u>				
Multi-strategy hedge fund	\$ 811,845	\$ —	Illiquid	N/A
Global equity fund	144,844	196,772	Illiquid	N/A
Commingled REIT fund	219,069	1,971,361	Illiquid	N/A
Multi-strategy hedge fund	989,635	—	Annually	N/A
Multi-strategy hedge fund	3,416,275	—	Quarterly	95 days
Multi-strategy hedge fund	1,049,383	34,480	Illiquid	N/A
Equity fund	320,766	650,457	Illiquid	N/A
Multi-strategy hedge fund	2,040,572	—	Illiquid	N/A
Multi-strategy hedge fund	2,342,910	—	Quarterly	100 days
Multi-strategy hedge fund	2,283,164	—	Monthly	3 days
Multi-strategy hedge fund	2,136,561	—	Monthly	3 days
Multi-strategy hedge fund	130,198	1,778,125	Illiquid	N/A
<u>2020</u>				
Multi-strategy hedge fund	\$ 1,024,024	\$ —	Illiquid	N/A
Global equity fund	146,875	196,772	Illiquid	N/A
Commingled REIT fund	253,507	1,971,361	Illiquid	N/A
Multi-strategy hedge fund	1,285,500	—	Annually	N/A
Multi-strategy hedge fund	2,889,018	—	Quarterly	95 days
Multi-strategy hedge fund	1,001,225	35,125	Illiquid	N/A
Equity fund	143,704	1,996,813	Illiquid	N/A
Multi-strategy hedge fund	1,807,228	—	Illiquid	N/A
Multi-strategy hedge fund	2,084,150	—	Quarterly	100 days
Multi-strategy hedge fund	922,188	—	Monthly	3 days
Multi-strategy hedge fund	984,229	—	Monthly	3 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 consolidated balance sheets and consolidated statements of operations.

## ELLIOT HEALTH SYSTEM AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2021 and 2020

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

##### 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.

##### 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

Under the State of New Hampshire's (the State) tax code, the State imposes a Medicaid Enhancement Tax (MET) equal to 5.4% of the Hospital's patient service revenues in State fiscal years 2021 and 2020, with certain exclusions. The amount of the tax provided for by the Hospital for the years ended June 30, 2021 and 2020 was \$22,236,061 and \$23,697,723, respectively.

The State provides disproportionate share payments (DSH) to hospitals based on a set percentage of uncompensated care provided. The Hospital received \$15,940,765 and \$17,913,947 during the years ended June 30, 2021 and 2020, respectively. Reserves on these receipts were established for \$1,771,195 and \$1,990,439 at June 30, 2021 and 2020, respectively, as these programs are subject to the State DSH annual audit and potential redistributions.

**ELLIOT HEALTH SYSTEM AND AFFILIATES****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2021 and 2020

**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 expected to be collected within a year are included within other current assets and the remaining amounts are included within other assets on the consolidated balance sheets as of June 30, 2021 and 2020.

Pledges are expected to be collected as follows at June 30, 2021:

One year or less	\$ 829,268
Between one year and two years	709,778
Between two years and three years	630,073
Between three years and four years	29,997
Between four years and five years	<u>2,891</u>
Pledges receivable	2,202,007
Present value discount	(198,506)
Allowance for uncollectible pledges	<u>(111,343)</u>
Pledges receivable, net	<u>\$1,892,158</u>

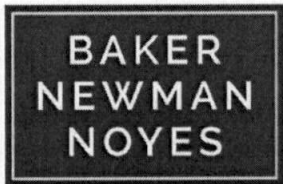
**16. Financial Assets and Liquidity Resources**

As of June 30, 2021, 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	\$178,575,394
Accounts receivable	<u>41,155,570</u>
	<u>\$219,730,964</u>

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, 2021, the balances in board-designated assets and investments were \$136,116,104 and \$120,567,838, 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, 2021 and 2020, and have issued our report thereon which contains an unmodified opinion on those consolidated statements. See pages 1 and 2. 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  
October 26, 2021

## ELLIOT HEALTH SYSTEM AND AFFILIATES

## CONSOLIDATING BALANCE SHEET

June 30, 2021

ASSETS

	<u>Obligated Group*</u>	<u>Elliot Health System</u>	<u>Elliot Hospital and Affiliates</u>	<u>Visiting Nurse Association of Manchester and Southern New Hampshire, Inc. and Affiliates</u>	<u>Elliot Health System Holdings and Subsidiaries</u>	<u>Mary and John Elliot Charitable Foundation</u>	<u>Elimi- nations</u>	<u>Consol- idated</u>
Current assets:								
Cash and cash equivalents	\$ 142,633,949	\$ 8,314	\$ 146,366,612	\$ 8,432,857	\$ 22,085,120	\$ 1,682,491	\$ —	\$178,575,394
Accounts receivable	34,218,045	—	37,621,279	1,826,135	1,708,156	—	—	41,155,570
Inventories	5,625,234	—	5,625,234	—	390,424	—	—	6,015,658
Amounts due from affiliates	2,876,422	—	85,306	—	593,779	43,092	(722,177)	—
Amounts due from SolutionHealth, Inc.	16,258,191	—	16,258,191	4,030	87,471	1,260	—	16,350,952
Other current assets	<u>6,301,731</u>	<u>—</u>	<u>6,440,965</u>	<u>60,879</u>	<u>2,464,535</u>	<u>739,422</u>	<u>—</u>	<u>9,705,801</u>
Total current assets	207,913,572	8,314	212,397,587	10,323,901	27,329,485	2,466,265	(722,177)	251,803,375
Property, plant and equipment, net	182,109,620	—	182,328,820	248,243	27,528,970	—	—	210,106,033
Investments	120,567,838	—	120,567,838	—	—	—	—	120,567,838
Other assets:								
Investment in subsidiary	54,676,733	54,676,733	—	—	—	—	(54,676,733)	—
Other	<u>4,137,862</u>	<u>—</u>	<u>4,137,862</u>	<u>—</u>	<u>4,089,237</u>	<u>1,182,229</u>	<u>(345,910)</u>	<u>9,063,418</u>
	58,814,595	54,676,733	4,137,862	—	4,089,237	1,182,229	(55,022,643)	9,063,418
Assets whose use is limited:								
Board designated and donor restricted investments	128,325,675	—	128,325,675	12,125,022	1,163,319	26,505,097	—	168,119,113
Employee benefit plans and other	29,554,709	—	29,554,709	—	—	—	—	29,554,709
Beneficial interest in perpetual trusts	<u>9,060,947</u>	<u>—</u>	<u>9,060,947</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>9,060,947</u>
	<u>166,941,331</u>	<u>—</u>	<u>166,941,331</u>	<u>12,125,022</u>	<u>1,163,319</u>	<u>26,505,097</u>	<u>—</u>	<u>206,734,769</u>
Total assets	<u>\$ 736,346,956</u>	<u>\$ 54,685,047</u>	<u>\$ 686,373,438</u>	<u>\$ 22,697,166</u>	<u>\$ 60,111,011</u>	<u>\$ 30,153,591</u>	<u>\$ (55,744,820)</u>	<u>\$ 798,275,433</u>

\* 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	Elimi- nations	Consol- idated
Current liabilities:								
Accounts payable and accrued expenses	\$ 26,700,718	\$ —	\$ 27,464,184	\$ 312,713	\$ 3,164,732	\$ 40,603	\$ —	\$ 30,982,232
Accrued salaries, wages and related accounts	23,725,010	—	39,008,418	1,595,872	475,555	—	—	41,079,845
Accrued interest	1,693,041	—	1,693,041	—	102,594	—	(95,910)	1,699,725
Amounts payable to third-party payors	66,527,464	—	69,014,732	2,465,516	—	—	—	71,480,248
Amounts due to SolutionHealth, Inc.	9,866,826	—	9,971,705	33,598	—	—	—	10,005,303
Amounts due to affiliates	—	—	—	361,579	360,598	—	(722,177)	—
Current portion of long-term debt	<u>9,343,568</u>	<u>—</u>	<u>9,343,568</u>	<u>—</u>	<u>350,000</u>	<u>—</u>	<u>(250,000)</u>	<u>9,443,568</u>
Total current liabilities	137,856,627	—	156,495,648	4,769,278	4,453,479	40,603	(1,068,087)	164,690,921
Accrued pension	56,515,745	—	62,708,858	1,888,811	—	—	—	64,597,669
Self-insurance reserves and other liabilities	51,902,122	—	52,637,095	220,802	74,179	—	—	52,932,076
Long-term debt, less current portion	<u>158,020,932</u>	<u>—</u>	<u>158,020,932</u>	<u>—</u>	<u>906,620</u>	<u>—</u>	<u>—</u>	<u>158,927,552</u>
Total liabilities	404,295,426	—	429,862,533	6,878,891	5,434,278	40,603	(1,068,087)	441,148,218
Net assets:								
Without donor restrictions/owners' equity	314,986,662	54,685,047	239,446,037	15,320,374	54,676,733	13,070,224	(54,676,733)	322,521,682
With donor restrictions	<u>17,064,868</u>	<u>—</u>	<u>17,064,868</u>	<u>497,901</u>	<u>—</u>	<u>17,042,764</u>	<u>—</u>	<u>34,605,533</u>
Total net assets	<u>332,051,530</u>	<u>54,685,047</u>	<u>256,510,905</u>	<u>15,818,275</u>	<u>54,676,733</u>	<u>30,112,988</u>	<u>(54,676,733)</u>	<u>357,127,215</u>
Total liabilities and net assets	<u>\$ 736,346,956</u>	<u>\$ 54,685,047</u>	<u>\$ 686,373,438</u>	<u>\$ 22,697,166</u>	<u>\$ 60,111,011</u>	<u>\$ 30,153,591</u>	<u>\$ (55,744,820)</u>	<u>\$ 798,275,433</u>

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

**ELLIOT HEALTH SYSTEM AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF OPERATIONS**

Year Ended June 30, 2021

	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
Operating revenues:								
Patient service revenues	\$ 496,634,294	\$ —	\$ 571,792,006	\$ 16,034,619	\$ 19,966,288	\$ —	\$ (1,384,612)	\$ 606,408,301
Investment income	4,619,509	—	4,619,509	188,360	49,957	150,388	—	5,008,214
Other revenues	46,262,078	—	45,196,768	534,628	10,218,701	1,149,786	(10,528,190)	46,571,693
Total operating revenues	547,515,881	—	621,608,283	16,757,607	30,234,946	1,300,174	(11,912,802)	657,988,208
Expenses:								
Salaries, wages and fringe benefits	237,412,188	—	347,221,015	13,107,547	4,345,123	560,859	(1,384,612)	363,849,932
Supplies and other expenses	180,692,503	79	184,847,974	3,016,355	17,776,852	834,399	(13,078,985)	193,396,674
Depreciation and amortization	20,341,034	—	20,688,509	89,677	1,863,513	—	—	22,641,699
New Hampshire Medicaid Enhancement Tax	22,236,061	—	22,236,061	—	—	—	—	22,236,061
Interest	6,271,971	—	6,271,971	—	47,643	—	(8,872)	6,310,742
Total expenses	466,953,757	79	581,265,530	16,213,579	24,033,131	1,395,258	(14,472,469)	608,435,108
Income (loss) from operations	80,562,124	(79)	40,342,753	544,028	6,201,815	(95,084)	2,559,667	49,553,100
Nonoperating gains (losses):								
Investment return, net	38,813,745	—	38,813,745	1,838,947	—	4,359,514	—	45,012,206
Other	7,553,365	4,780,062	989,525	81,084	(1,421,753)	(91,857)	(7,339,729)	(3,002,668)
Net periodic pension cost, net of service cost	(2,976,576)	—	(3,325,713)	(101,423)	—	—	—	(3,427,136)
Nonoperating gains (losses), net	43,390,534	4,780,062	36,477,557	1,818,608	(1,421,753)	4,267,657	(7,339,729)	38,582,402
Excess of revenues and nonoperating gains (losses) over expenses	123,952,658	4,779,983	76,820,310	2,362,636	4,780,062	4,172,573	(4,780,062)	88,135,502
Net transfers to affiliates and SolutionHealth, Inc.	(43,657,572)	—	(2,832,572)	—	—	—	—	(2,832,572)
Pension adjustment	59,772,056	—	65,869,905	2,146,761	—	—	—	68,016,666
Increase (decrease) in net assets without donor restrictions	\$ 140,067,142	\$ 4,779,983	\$ 139,857,643	\$ 4,509,397	\$ 4,780,062	\$ 4,172,573	\$ (4,780,062)	\$ 153,319,596

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

## ELLIOT HEALTH SYSTEM AND AFFILIATES

## CONSOLIDATING BALANCE SHEET

June 30, 2020

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	\$ 110,846,414	\$ 8,393	\$ 113,400,509	\$ 8,244,501	\$ 16,756,804	\$ 1,251,356	\$ —	\$139,661,563
Accounts receivable	25,176,996	—	27,560,110	1,528,899	1,085,510	—	—	30,174,519
Inventories	4,851,014	—	4,851,014	—	388,629	—	—	5,239,643
Amounts due from SolutionHealth, Inc.	3,296,839	—	3,296,839	—	7,130	877	—	3,304,846
Amounts due from affiliates	2,555,194	—	115,187	—	589,199	14,264	(718,650)	—
Other current assets	<u>20,909,226</u>	<u>—</u>	<u>21,141,478</u>	<u>73,390</u>	<u>2,432,960</u>	<u>643,947</u>	<u>—</u>	<u>24,291,775</u>
Total current assets	167,635,683	8,393	170,365,137	9,846,790	21,260,232	1,910,444	(718,650)	202,672,346
Property, plant and equipment, net	187,079,069	—	187,349,746	337,921	28,976,891	—	—	216,664,558
Investments	97,182,629	—	97,182,629	—	—	—	—	97,182,629
Other assets:								
Investment in subsidiary	49,896,671	49,896,671	—	—	—	—	(49,896,671)	—
Other	<u>5,962,222</u>	<u>—</u>	<u>5,962,222</u>	<u>—</u>	<u>4,014,701</u>	<u>1,710,525</u>	<u>(337,792)</u>	<u>11,349,656</u>
	55,858,893	49,896,671	5,962,222	—	4,014,701	1,710,525	(50,234,463)	11,349,656
Assets whose use is limited:								
Board designated and donor restricted investments	110,421,389	—	110,421,389	10,101,283	1,163,319	21,559,422	—	143,245,413
Held by trustee under revenue bond and note agreements	172,853	—	172,853	—	—	—	—	172,853
Employee benefit plans and other	22,248,589	—	22,248,589	—	—	—	—	22,248,589
Beneficial interest in perpetual trusts	<u>7,564,017</u>	<u>—</u>	<u>7,564,017</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,564,017</u>
	<u>140,406,848</u>	<u>—</u>	<u>140,406,848</u>	<u>10,101,283</u>	<u>1,163,319</u>	<u>21,559,422</u>	<u>—</u>	<u>173,230,872</u>
Total assets	<u>\$ 648,163,122</u>	<u>\$ 49,905,064</u>	<u>\$ 601,266,582</u>	<u>\$ 20,285,994</u>	<u>\$ 55,415,143</u>	<u>\$ 25,180,391</u>	<u>\$ (50,953,113)</u>	<u>\$ 701,100,061</u>

\* 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	Elimi- nations	Consol- idated
Current liabilities:								
Accounts payable and accrued expenses	\$ 28,476,208	\$ —	\$ 28,839,377	\$ 247,003	\$ 3,267,988	\$ 69,286	\$ —	\$ 32,423,654
Accrued salaries, wages and related accounts	20,955,444	—	33,152,222	1,213,962	358,387	—	—	34,724,571
Accrued interest	1,701,526	—	1,701,526	—	93,722	—	(87,792)	1,707,456
Amounts due to SolutionHealth, Inc.	2,238,321	—	2,238,321	—	—	—	—	2,238,321
Amounts payable to third-party payors	68,862,340	—	71,987,643	3,148,000	—	—	—	75,135,643
Amounts due to affiliates	—	—	—	310,146	408,504	—	(718,650)	—
Current portion of long-term debt	<u>8,404,358</u>	<u>—</u>	<u>8,404,358</u>	<u>—</u>	<u>350,000</u>	<u>—</u>	<u>(250,000)</u>	<u>8,504,358</u>
Total current liabilities	130,638,197	—	146,323,447	4,919,111	4,478,601	69,286	(1,056,442)	154,734,003
Accrued pension	113,220,005	—	125,139,183	3,932,683	—	—	—	129,071,866
Self-insurance reserves and other liabilities	48,044,323	—	48,874,481	125,322	37,827	—	—	49,037,630
Long-term debt, less current portion	<u>166,128,320</u>	<u>—</u>	<u>166,128,320</u>	<u>—</u>	<u>1,002,044</u>	<u>—</u>	<u>—</u>	<u>167,130,364</u>
Total liabilities	458,030,845	—	486,465,431	8,977,116	5,518,472	69,286	(1,056,442)	499,973,863
Net assets:								
Without donor restrictions/owners' equity	174,919,520	49,905,064	99,588,394	10,810,977	49,896,671	8,897,651	(49,896,671)	169,202,086
With donor restrictions	<u>15,212,757</u>	<u>—</u>	<u>15,212,757</u>	<u>497,901</u>	<u>—</u>	<u>16,213,454</u>	<u>—</u>	<u>31,924,112</u>
Total net assets	<u>190,132,277</u>	<u>49,905,064</u>	<u>114,801,151</u>	<u>11,308,878</u>	<u>49,896,671</u>	<u>25,111,105</u>	<u>(49,896,671)</u>	<u>201,126,198</u>
Total liabilities and net assets	<u>\$ 648,163,122</u>	<u>\$ 49,905,064</u>	<u>\$ 601,266,582</u>	<u>\$ 20,285,994</u>	<u>\$ 55,415,143</u>	<u>\$ 25,180,391</u>	<u>\$ (50,953,113)</u>	<u>\$ 701,100,061</u>

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

**ELLIOT HEALTH SYSTEM AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF OPERATIONS**

Year Ended June 30, 2020

	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
Operating revenues:								
Patient service revenues	\$ 423,681,870	\$ —	\$ 492,921,258	\$ 16,587,425	\$ 15,598,927	\$ —	\$ (566,412)	\$ 524,541,198
Investment income	5,304,703	—	5,304,703	226,457	113,156	181,266	—	5,825,582
Other revenues	52,115,368	—	51,171,013	1,421,360	10,031,386	1,234,843	(11,492,095)	52,366,507
Total operating revenues	481,101,941	—	549,396,974	18,235,242	25,743,469	1,416,109	(12,058,507)	582,733,287
Expenses:								
Salaries, wages and fringe benefits	233,476,522	—	342,877,564	13,537,569	4,006,742	507,748	(566,412)	360,363,211
Supplies and other expenses	148,876,528	74	152,536,302	3,083,547	16,464,129	1,043,426	(13,983,533)	159,143,945
Depreciation and amortization	19,427,879	—	19,765,643	101,029	2,006,999	99	—	21,873,770
New Hampshire Medicaid Enhancement Tax	23,697,723	—	23,697,723	—	—	—	—	23,697,723
Interest	6,803,539	—	6,803,539	—	65,334	—	(8,996)	6,859,877
Total expenses	432,282,191	74	545,680,771	16,722,145	22,543,204	1,551,273	(14,558,941)	571,938,526
Income (loss) from operations	48,819,750	(74)	3,716,203	1,513,097	3,200,265	(135,164)	2,500,434	10,794,761
Nonoperating gains (losses):								
Investment (loss) return, net	(912,707)	—	(912,707)	(160,470)	—	206,424	—	(866,753)
Other	5,030,205	2,211,401	1,128,774	40,577	(988,864)	(88,410)	(4,711,835)	(2,408,357)
Net periodic pension (cost) gain, net of service cost	(1,286,609)	—	(1,426,971)	(45,114)	—	—	—	(1,472,085)
Nonoperating gains (losses), net	2,830,889	2,211,401	(1,210,904)	(165,007)	(988,864)	118,014	(4,711,835)	(4,747,195)
Excess (deficiency) of revenues and nonoperating gains (losses) over expenses	51,650,639	2,211,327	2,505,299	1,348,090	2,211,401	(17,150)	(2,211,401)	6,047,566
Net transfers to affiliates and SolutionHealth, Inc.	(41,880,542)	—	(985,542)	—	—	—	—	(985,542)
Pension adjustment	(25,810,121)	—	(29,182,760)	(863,179)	—	—	—	(30,045,939)
Transfer of balances between funds	(28,666)	—	(28,666)	—	—	—	—	(28,666)
(Decrease) increase in net assets without donor restrictions	\$ (16,068,690)	\$ 2,211,327	\$ (27,691,669)	\$ 484,911	\$ 2,211,401	\$ (17,150)	\$ (2,211,401)	\$ (25,012,581)

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



# Elliot Hospital Board of Trustees & Elliot Health System Board of Directors 2022

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**CAROL J. FURLONG, LCMHC, MAC, MBA**

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**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**

Developed and managing SUD programs – Hillsborough County North Drug Court, including two components of a co-occurring IOP, a co-occurring Partial Hospitalization Program, four primary care practice MAT programs, SUD services in the Emergency Room to include CRSW and MLADC and the MOM Grant- providing community collaboration to insure effective treatment for pregnant and post-partum women. Attend community meetings to increase the effectiveness of community care collaboration.

**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**

**The Hitchcock Clinic**

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.

**1997-1999**

**Bedford, NH**

**COORDINATOR OF MULTICULTURAL COUNSELING PROGRAM**

**Rivier College**

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.

**1998-1999**

**Nashua, NH**

**CLINICAL DIRECTOR**

**The Hitchcock Clinic**

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.

**1990-1997**

**Nashua, NH**

**PROGRAM DIRECTOR**

**Partial Hospitalization Program, Brookside Hospital**

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.

**1988-1990**

**Nashua, NH**

**PROGRAM DIRECTOR – SUBSTANCE ABUSE CLINIC**

**Department of the Army**

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.

**1985-1988**

**West Germany**

**ARMY COMMUNITY SERVICE DIRECTOR**

**Department of the Army**

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).

**1983-1985**

**West Germany**

**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**

# Ian Lemmo

## **Education/Certifications:**

- Licensed Clinical Mental Health Counselor
- Rivier University, MA Mental Health Counseling
- University of Hawaii at Manoa, BA in Psychology

## **Relevant Work History:**

### **Elliot Hospital – Program Manager**

4/20-present

- Develop and implement policies and procedures related to service coordination and data collection for expectant and post-partum mothers struggling with opiate use disorder
- Work with comprehensive team of providers across multiple community organizations to improve collaboration and coordination of care
- Work with federal and state organizations for design and implementation of practices for required grant funding and reporting

### **Manchester Community College – Adjunct Faculty**

8/19 – 5/20

- Course development and teaching for human sciences department
- Interactions with students regarding expectations and policies for growth
- Provide resources of educational development

### **LaMora Psychological Associates – LCMHC**

9/18-5/20

- Provide individual counseling to individuals ages 13 and up including intakes, mental health assessments, safety planning and collaborative services
- Collaborate with comprehensive integrated team including psychiatrists, psychologists and social workers including participation and collaboration in group trainings and education seminars

### **Westbridge Inc. – Residential Clinician**

12/17-9/18

- Provide one-on-one counseling to individuals with dual diagnosis and co-occurring with thought and mood disorders
- Provide group counseling including men's trauma, Wellness Recovery Action Plan (WRAP), Illness Management and Recovery (IMR), CBT, Career advisement and education assistance
- Provide side by side support for completion of activities of daily living (ADL) including hygiene and living space cleaning, meal planning, exercise regimens and medical appointments
- Complete intakes and mental health assessments for new participants entering into treatment
- Participate in group and peer supervision including psychiatrists, LDAC and LCMHC

### **Harbor Homes Inc. – Program Manager**

10/14 – 11/17

- Developed and oversee day to day operations with report writing and data tracking for grant funders for a SAMHSA grant funded program focused on providing mental health counseling, general case management and employment services to homeless veterans
- Established connections and relationships with veteran and community services and programs to develop comprehensive treatment for homeless veterans and civilians
- Establish and work with sub-contractors pertaining to substance use treatment and evaluations practices

### **Harbor Homes Inc. – Mental Health Counselor**

10/14 – 12/17

- Provide one-on-one counseling to individuals at or below poverty level with pervasive mental

health illnesses and co-occurring disorders including intakes and mental health assessments

- Provide group counseling in areas including co-occurring disorders, men's support groups and psychoeducation
- Participate in one-on-one supervision and peer supervision
- Conduct safety assessments and planning
- Work within an integrated behavioral health team including licensed mental health practitioners and medical practitioners for effective case conceptualizations and referrals

## Beverly F. Gagnon

### PROFESSIONAL PROFILE

Has a background in healthcare, marketing, communications, and broadcasting with a desire to follow a path in data analytics towards these fields. Goal focused, detail orientated, and works best under deadline with an excellent work ethic to work alone or in a team. Able to adapt to changing work environments and am excited about learning and utilizing analytics tools.

### EDUCATION

<b>Master of Science in Data Analytics</b>	December 2020
Southern New Hampshire University, Manchester, NH	
<b>The Ultimate MySQL Bootcamp</b>	Currently Enrolled
Udemy, Inc.	
<b>Python for Data Science and Machine Learning Bootcamp</b>	Currently Enrolled
Udemy, Inc.	

### CORE COMPETENCIES & CERTIFICATIONS

SQL | Looker | Rattle (R) | Power BI | Visio | Excel | Python | Epic Willow | Epic Hyperspace | PowerPoint

### CURRENT PROJECTS at PillPack

**Forecast Accuracy Project:** Building a forecast accuracy dashboard. Use analytics to recommend forecast data improvements. After leadership permission, implement and track forecast improvements.

**Transfer Process Standardization Pilot Project:** Created a standard operating procedure and SIM ticketing process for the customer transfer process. The SOP has a value stream map detailing each step of the process and service level agreement (SLA) for each process based on the severity of transfer request. The SIM system provides transparency, a single source of communication, and method of sign-off for all relevant stakeholders. The whole process is seamlessly introduced and handed off to team to continue the project.

### ACADEMIC PROJECTS

**Capstone: GE Employee Attrition Prediction Analytics:** Used descriptive and predictive analytics to find the likelihood of GE employee attrition. Rattle was used to explore data, build the predictive model, and evaluate the results. Coding was simplified and debugged to be exchangeable and producible. Final code and predictive models were presented to the company's stakeholders for assessment.

**Environmental Analytics Dashboard:** Designed and developed a user-friendly dashboard for state officials to utilize when tracking flood concerns after storms in the area. The dashboard was produced in Excel and displays snowstorms, hurricanes, thunderstorms, and other weather anomalies and their effects on the State of New Hampshire. Produced a data pamphlet for the public with explanations.

**Hightower Global Solutions - Project Management Plan:** Produced a full project management plan including project charter, timelines, interest grid, traceability matrix, stakeholder analysis & concerns, risk register, and project planning.

**Law, Ethics & Security Plan/Database Management System:** Construct a database from corporate background and organization, analysis, design, database management system, data model, law, ethics, and security. Designed a full database custom-made to the mock company's requirements.

**Enterprise Data Management Architecture and Implementation Plan:** Examined the issues in managing data and information from an enterprise perspective. Explored data management using concepts and techniques for managing the design, development, and maintenance of all the components of enterprise information management. Constructed an EDM architecture and an execution plan.

### PROFESSIONAL EXPERIENCE

<b>Data Entry Pharmacy Technician, PillPack, Manchester, NH</b>	January 2021-present
<b>Certified Pharmacy Technician, Elliot Health Systems, Manchester, NH</b>	November 2018-present

# Jennifer Vallier

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[REDACTED]

[REDACTED]

[REDACTED]

## Work Experience

Firefly American Bistro-current employer  
22 Concord Street  
Manchester, NH 03101  
(603)935-9740  
-Chef  
October 2021-Current

Bonfire Country Bar- Current employer  
950 Elm St. Manchester, NH 03101  
(603)217-5600  
-Line Cook  
May 2021-Current

Taco Bell  
1045 South Willow St.  
Manchester, NH 03103  
(603)641-8226  
-Assistant Manager  
May 2017-2019

Portland Pie  
786 Elm St.  
Manchester, NH 03101  
Permanently Closed  
-General Manager  
May 2015-2017

Ruby Tuesday  
275 Amherst St.



**Nashua, NH 03063**  
**Permanently Closed**  
**-Training Manager**  
**June 2008-2015**

### **Education**

**Hesser College**  
**Associates In Business Management**  
**Graduated 2012**

**Nashua Community College**  
**Restaurant Management**  
**2006-2008**

**Nashua High North**  
**Graduated 2006**

## SHANNON RONDEAU, RN, CARN, 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

**ELLIOT HEALTH SYSTEM**, Manchester, NH

**October 2019 – Present**

#### **MAT Nurse Care Coordinator**

Initial contact for patients and serves as the main liaison between the patient and physician throughout Medication Assisted Therapy. Responsible for conducting the initial biopsychosocial patient assessment and oversight of buprenorphine/naloxone and naltrexone intake assessment, induction, stabilization, maintenance and relapse management.

**SOBRIETY CENTERS OF NH-ANTRIM HOUSE**, Antrim, NH

**December 2017 – October 2019**

#### **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.

**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.

**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.

**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.

#### **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.

**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.

**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.

**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.

**TOWN OF ANTRIM FIRE/RESCUE, Antrim, NH**

**July 2015 – September 2021**

**Volunteer EMT/Firefighter**

Provide High quality fire protection and Emergency Medical Services (EMS) to those who live in or visit Antrim, NH.

**EDUCATION**

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

**LICENSURE & CERTIFICATION**

- **New Hampshire Registered Nurse**
  - License #056554-21
- **Certified Addictions Registered Nurse**
  - Addictions Nursing Certification Board, Certification #5769
- **NREMT, NH EMT**
  - License #33101 E

## Mark S. Peedin

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### Software and Database Programmer Analyst

Highly motivated, with over 25 years of Application and Database programming experience

#### — Key Qualifications —

- REDCap Application Specialist for more than 10 years: Installation, Configuration, Design, APIs, Reporting
  - Proficient in the following programming languages: VB6, VB.Net, 'C', Visual FoxPro, CSharp
  - Experience in: Java, C++, Powershell
  - Accomplished in using the web technologies: VB Script, Java, PHP, JavaScript, CSS, HTML, VBA
  - Over 20 years of progressive relational database design and implementation experience
  - Seasoned in reporting tools, such as: SharePoint, Dashboards, Report Builder, InfoMaker, Clinical Research Safety Tracking
  - Proficient in the following relational databases: MS SQL, MySQL, Oracle - PL/SQL, Access MDBs
  - Experienced in using the following db tools: Enterprise Architect, MySQL Query Browser, Enterprise Manager and Administrator, SQL Developer, TOAD
- 

### Professional Experience

#### **RTI – Research Triangle Institute International** **Research Systems Programmer / Analyst, 1/2022 – Present**

- Manage REDCap Projects
- Build REDCap Projects to include Surveys
- Write External Modules, to include PHP scripts and JavaScripts

#### **Solution Health / Elliot – Remote REDCap Contractor** **IT Programmer Analyst, 4/2021 – Present**

- Assisted in configuring database server and web server
- Installed REDCap 10.9.4, installed PHP 7.4.13 and MySQL 8.0.24
- Designed and Developed MOM (Maternal Opioid Misuse) project
- Managed REDCap users & roles
- Wrote PHP API scripts for MOM REDCap project, to pull data out and submit to the State of NH

**Alliance Health – Remote  
IT Configuration Specialist, 12/2020 – 4/2021**

- Configured workflows for clinicians
- Managed/Monitored issue tickets
- Created Use Case Testing scripts
- Wrote documentation for designing workflows

**Duke University Medical Center - CCIS, Durham, NC  
Senior Programmer Analyst, 4/1996 – 4/2018**

- Developed & Managed REDcap instances, manage users & roles, build projects and build reports
- Wrote PHP API scripts (REDCap), to pull data out and into Oracle & SharePoint
- Created VB6 applications to insert, update, query and extract data stored in a MS SQL Database, that was used by ExtraView to manage Clinical Research
- Converted VB6 applications to VB.Net and CSharp.Net
- Built back-end queries, tables and databases in MS SQL & PL/SQL, that are used by front-end applications, for data reporting, entry, mining, BI and analysis, as well as, for managing clinical data reporting
- Managed SharePoint sites, to include build reports from Oracle & MS/SQL databases
- Developed Java applets & servlets, to aid in calculating the probability of 24 month cancer survival
- Developed Java application tools for open source spectrum data analysis and associated data standards, as part of the NCI caBIG project
- Built a PHP project that queried MR scanned images, via the DICOM header records in an PACS image database and then, queried related clinical data from a clinical management database, to display them both within a single browser desktop
- Manage Nautilus specimen tracking and reporting (using InfoMaker and Access)
- Worked on a 10yr grant funded Visual FoxPro project called 'Family Cancer Program' (or FCP), that was used to manage pedigree family data, surveys, follow-ups, diagnosis status, etc and stores the data in MS-SQLServer on the back-end
- Work with a team of programmers that provide web, database and application solutions to the Duke Cancer Institute's 17 Shared Resources, as well as, to the Administration Office
- Implement Open-Source solutions, to meet the growing needs of the Duke Cancer Institute's 17 Shared Resources
- Design client /server applications and databases for clinicians and cancer researchers in the Duke Cancer Institute
- Create java applets and servlets to help statisticians determine the length and probability of cancer survival.
- Design, develop and maintain relational databases that contain clinical trial patients

**Duke University Medical Center – Neurology, Durham, NC  
Computer Programmer Analyst, 2/1993 – 4/1996**

- Planned and composed application programs that ran in a Unix environment to maintain patients' pedigrees, blood/tissue DNA and other medical data for disease research.

**Renfro Corp., Mt. Airy, NC**

**Database Programmer, 4/1991 – 2/1993**

- Developed and enhanced application programs that ran in a VMS environment to automate the storage and retrieval of goods in a warehouse distribution center.
- Planned and produced system programs to manage the automation of backups, restores, and user accounts
- Performed system and software installs/upgrades

**Computer Science Corp., Raleigh, NC**

**Application Programmer, 8/1990 – 4/1991**

- Enhanced existing COBOL application programs in VMS environment for US Postal Service accounting office.

**GeoBased Systems, Inc., Raleigh, NC**

**Application Programmer, 9/1989 – 8/1990**

- Maintained and enhanced FORTRAN tools in Intel environments to support graphic applications that display street level maps for police, fire and rescue departments.

**Lotus Development Corp., Cambridge, MA**

**Systems Manager, 9/1986 – 8/89**

- Managed a cluster of Vaxes and a network of micros and minis
- Planned and developed system programs to manage the automation of backups, restores, archiving, user accounts, batch and print jobs
- Performed system and software installs/upgrades
- Supervised 3 shifts of computer operators

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## **Educational Background**

Undergraduate Studies in Computer Science 9/1982 - 6/1986  
University of South Carolina

### **CERTIFICATES**

Oracle Clinical, 2006  
Java Application Programming, 2005  
VFP/Codebook, 1997  
Novell Networks, 1983  
DEC Systems Management I/II, 1982

### **POSTERS (Author)**

'Clinical & Image Data Management – For Clinical Trials and Research', 2008

### **POSTERS (co-Author)**

'C3D at Duke University Medical Center', 2007  
'RProteomics and caBIGTM: New Cancer Research Tools', 2007

'The Cancer Translational Research Informatics Platform', 2007  
'RProteomics: An Application for Analyzing Mass Spectrometry Proteomics Data', 2006  
'DBIG - Duke Bioinformatics Group', 2006

**PUBLICATION AND PRESENTATIONS (co-Author)**

'Ontology in Use on the Cancer Bioinformatics Grid (caBIGTM).  
Bridging Knowledge Gaps in Computational Biology', 2005.

'RProteomics on the Cancer Bioinformatics Grid (caBIGTM).  
Bridging Knowledge Gaps in Computational Biology', 2005.

'R, SAS, and MATLAB interoperability: Formal algebraic models and practical aspects.  
Bridging Knowledge Gaps in Computational Biology', 2005.

'caBIGTM and RProteomics. Duke Frontiers', 2005.

'RProteomics Demonstration\_Web-services enabled proteomics analysis.  
A presentation at the caBIG Annual Meeting', 2005.



MOM Grant Key Personnel Elliot Health System

Carol Furlong, LCMHC, MAC, MBA – Director, Substance Use Services Department

Ian Lemmo, LCMHC – Program Manager MOM Grant

Beverly Gagnon – Project Data Analyst MOM Grant

Jennifer Vallier – Community Health Worker MOM Grant

Shannon Rondeau – MAT Care Coordinator MOM Grant

Mark Peedin – REDcap IT Specialist MOM Grant

MAY18'21 PM 3:13 RCVD

8 mac



Lori A. Shibinette  
Commissioner

Henry D. Lipman  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF MEDICAID SERVICES

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9422 1-800-852-3345 Ext. 9422  
Fax: 603-271-8431 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

February 22, 2021

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Medicaid Services, to enter into a **Sole Source** amendment to an existing contract with Elliot Health System (VC#174360), Manchester, NH to administer the Maternal Opioid Misuse (MOM) Model program, by increasing the price limitation by \$619,086 from \$619,086 to \$1,238,172 with no change to the contract completion date of December 31, 2024 effective upon Governor and Council approval. 100% Federal Funds.

The original contract was approved by Governor and Council on February 19, 2020, item #9.

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

**05-95-47-470010-1371 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS  
DEPT OF HHS: OFF. OF MEDICAID & BUS. POLICY, MATERNAL OPIOID MISUSE MODEL**

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2020	102/500731	Contracts for Prog Svc	47000063	\$309,543	\$0	\$309,543
2021	102/500731	Contracts for Prog Svc	47000063	\$309,543	\$309,543	\$619,086
2022	102/500731	Contracts for Prog Svc	47000063	\$0	\$309,543	\$309,543
			<b>Total</b>	<b>\$619,086</b>	<b>\$619,086</b>	<b>1,238,172</b>

**EXPLANATION**

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

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
Page 2 of 3

This request is **Sole Source** because the contract was originally approved as sole source and MOP 150 requires any subsequent amendments to be labelled as sole source.

The purpose of this request is to add year two (2) grant funding received from the Innovations Center at the Centers for Medicare and Medicaid Services to support the Maternal Opioid Misuse Model program..

Approximately 250 to 300 individuals who are pregnant, may become pregnant and/or are postpartum, and their infants, will be served annually, throughout the contract period, in the Greater Manchester Area.

The Maternal Opioid Misuse (MOM) Model is designed to increase access to health care and social services for pregnant and post-partum women with Opioid Use Disorder (OUD) and their infants. Elliot manages most of the Neonatal Intensive Care Unit stays related to neonatal abstinence syndrome in the greater Manchester area and has an expansive health delivery network within the region, which makes the Contractor the optimal partner to administer the Maternal Opioid Misuse Model program

The Contractor continues developing and implementing the Care Delivery System, a system of care for pregnant and postpartum women with OUD and their infants, for the Maternal Opioid Misuse Model. The Maternal Opioid Misuse Model requires one (1) year of intensive community planning to prepare for the implementation of strategies to test whether Medicaid payments that support evidence-based coordinated care delivery for pregnant and postpartum women with OUD and their infants can improve quality of care and reduce costs. Due to the COVID-19 pandemic the Contractor experienced delays in community planning, therefore the Contractor has been delayed in the implementation process.

Once the Contractor completes the pre-implementation planning and design phase, the Contractor will test whether payments that support evidence-based, coordinated care delivery for pregnant and postpartum women with OUD and their infants can reduce costs to Medicaid. New Hampshire estimates modest savings during the contract period, but estimates that there will be additional savings beyond the five (5) year contract period. By avoiding neonatal abstinence syndrome and other health complications, the Department expects large health and behavioral health savings over the life course of substance exposed infants. Savings may be substantial over eighteen (18) years of potential Medicaid enrollment.

The Contractor, with its community partners, will engage in community planning to meet the needs of all Medicaid-eligible women with OUD in the Greater Manchester Community who are pregnant, may become pregnant and/or are postpartum, and their infants through the MOM Model.

The Department will monitor contracted services through reporting on the following data:

- Continuity of pharmacotherapy at delivery
- Gains in Patient Activation Measure® (PAM) scores
- Health-related social needs screening
- Maternal engagement in OUD treatment
- Postpartum care and family planning
- Beneficiary screening for clinical depression and follow-up plan
- Tobacco use screening and cessation intervention

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
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Should the Governor and Council not authorize this request, the Department will be unable to implement the MOM Model to improve the quality of care and improve the health outcomes for pregnant and post-partum women with Opioid Misuse Disorder and their infants by avoiding neonatal abstinence syndrome and other complications. In addition, failure to implement the MOM Model will jeopardize federal grant funding awarded for this purpose.

Area served: Greater Manchester Area

Source of Funds: Catalog of Federal Domestic Assistance (CFDA) #93.687, Federal Award Identification Number (FAIN) 2A2CMS331772.

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

Respectfully submitted,

DocuSigned by:  
**Ann H. N. Landry**  
24BAB37ED0E8488...

Lori A. Shibinette  
Commissioner

**State of New Hampshire  
Department of Health and Human Services  
Amendment #1**

This Amendment to the Maternal Opioid Misuse Model contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Elliot Health System ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on February 19, 2020, (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. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$1,238,172.-
2. Modify Exhibit A, Scope of Services, by replacing all references of Comprehensive Core Standardized Assessment (CCSA) to Protocol for Responding to and Assessing Patients' Assets, Risks, and Experiences (PRAPARE).
3. Modify Exhibit A, Scope of Services, Section 1.4 to read:
  - 1.4 The funding amount in Form P-37, Block 1.8, Price Limitation of this Agreement is allocated to Contract Year One (1) Scope of Work: Pre-Implementation Program Planning and Design, pursuant to Exhibit A, Scope of Services; Section 2 and Contract Year Two (2) Scope of Work: MOM Model Program Implementation, pursuant to Exhibit A, Scope of Services, Section 3.
4. Modify Exhibit A, Scope of Services, Section 1.5 to read:
  - 1.5. Additional program services to be provided by the Contractor, as well as additional funding for Contract Years Three (3) through Five (5) shall be determined by the Department and will be added to this Agreement through contract amendments as approved by the Governor and Executive Council.
5. Modify Exhibit A, Scope of Services, Section 2.14:  
Reserved
6. Add Exhibit A, Scope of Services, Section 3.14:  
3.14 The Contractor shall join a Closed Loop Referral System as approved the State.
7. Add Exhibit A, Scope of Services, Section 4.5:  
4.5 The Contractor, in conjunction with the Department, shall implement an effective data sharing plan related to the scope of work and deliverables identified in this Exhibit A. The Department may provide the Contractor with Medicaid enrollment, claims and encounter data, and other data, including personally identifiable data, as applicable, for the purposes of this Agreement.
6. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 2, to read:
  2. This Agreement is funded with 100% federal funds from the Center for Medicare and Medicaid Innovation, Maternal Opioid Misuse Model, as awarded on 12/16/2019 and 12/17/2020 by the

Centers for Medicare and Medicaid Services (CMS), CFDA #93.687; FAIN 2A2CMS331772.

7. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 4 to read:
  4. The Contractor agrees that additional funding for Years Three (3) through Five (5) of the contract period shall be determined by the Department, and is contingent upon the Department receiving Federal Notices of Award. Additional funds shall be added to this agreement through contract amendments requiring Governor and Executive Council approval.
8. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 5 to read:
  5. The Contractor's procurement of Subcontractors require prior approval by the State and the Centers for Medicare and Medicaid Services. The following information is required for the Contractor's Subcontractors:
    - 5.1. Name of Subcontractor(s);
    - 5.2. Method of Selection;
    - 5.3. Period of Performance;
    - 5.4 Scope of Work;
    - 5.5 Method of Accountability; and
    - 5.6 Itemized Budget and Budget Justification, including a breakdown of tasks and amount budgeted for each task.
9. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 7.2 to read:
  - 7.2. 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 budget line items in Exhibit B-1 Budget through Exhibit B-4, Budget, Amendment #1.
10. Add Exhibit B-3, Budget Amendment #1, which is attached hereto and incorporated by reference herein.
11. Add Exhibit B-4, Budget Amendment #1, which is attached hereto and incorporated by reference herein.
12. Modify Exhibit C-1, Revisions/Exceptions to Standard Contract Language, Section 2 to read:

Reserved
13. Add Exhibit I Health Insurance Portability Act Business Associate Agreement, which is attached hereto and incorporated by reference herein.



All terms and conditions of the Contract not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire  
Department of Health and Human Services

5/7/2021

Date

DocuSigned by:  
*Henry D. Lipman*  
CF5D44D4F70D4E4...  
Name: Henry D. Lipman  
Title: Medicaid Director

Elliot Health System

5-5-21  
Date

*W. Gregory Porter, MD*  
Name: W. Gregory Porter, MD  
Title: President



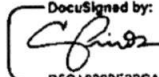
The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

5/13/2021

Date

DocuSigned by:



D5CAB202E12CAAE

Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

Exhibit B-3 Budget  
 Maternal Opioid Misuse Model Operating Budget  
 Period: January 1, 2021 to June 30, 2021 (State Fiscal Year 2021)

Line#	Item	Item: Annual	Amount: 6 Months
1	Total Salary/Wages (Clinic)		\$ 86,500.00
2	Employee Benefits		\$ 24,220.00
3	Supplies		
	Laptop	\$ 2,400.00	
	Tablet	\$ 1,000.00	
	cell phone	\$ 3,000.00	
	misc. office supplies and furniture (paper, pens etc)	\$ 3,100.00	
	Monitors	\$ 500.00	
	Cables etc.	\$ 1,000.00	
	Printers	\$ 1,000.00	
	Office supplies	\$ 3,000.00	
	Printing	\$ 1,200.00	
	Sub Total Supplies		\$ 8,100.00
4	Information Technology		\$
4.A.	SolutionHealth/Elliott Health System		
	Total Salary/Wages	\$ 176,806.00	
	Employee Benefits	\$ 24,000.00	
	Supplies	\$ 4,940.00	
	Travel	\$ 1,000.00	
4.B.	Sub-Contractors	\$ 120,000.00	
	Sub Total Information Technology		\$ 163,373.00
			\$ 1,250.00
5	Travel		
6	Other	\$	
	Storage	\$ 9,000.00	
	Rent	\$ 36,000.00	
	Equipment rental (copier)	\$ 4,800.00	
	Utilities	\$ 2,400.00	
	Sub Total Other	\$	\$ 26,100.00
	Total		\$ 309,543.00

Exhibit B-3 Budget, Amendment 1.  
 Elliott Health System  
 SS-2020-DMS-01-MATER-01-A01

Contractor Initials  
 Date

*[Signature]*  
 5-7-21

Exhibit B-4 Budget  
 Maternal Opioid Misuse Model Operating Budget  
 Period: July 1, 2021 to December 31, 2021 (State Fiscal Year 2022)

Line#	Item	Item: Annual	Amount: 6 Months
1	Total Salary/Wages (Clinic)		\$ 86,500.00
2	Employee Benefits		\$ 24,220.00
3	Supplies		
	Laptop	\$ 2,400.00	
	Tablet	\$ 1,000.00	
	cell phone	\$ 3,000.00	
	misc. office supplies and furniture (paper, pens etc)	\$ 3,100.00	
	Monitors	\$ 500.00	
	Cables etc.	\$ 1,000.00	
	Printers	\$ 1,000.00	
	Office supplies	\$ 3,000.00	
	Printing	\$ 1,200.00	
	Sub Total Supplies		\$ 8,100.00
4	Information Technology		\$ -
4.A.	SolutionHealth/Elliott Health System		
	Total Salary/Wages	\$ 176,806.00	
	Employee Benefits	\$ 24,000.00	
	Supplies	\$ 4,940.00	
	Travel	\$ 1,000.00	
4.B.	Sub-Contractors	\$ 120,000.00	
	Sub Total Information Technology		\$ 163,373.00
5	Travel		\$ 1,250.00
6	Other	\$ -	
	Storage	\$ 9,000.00	
	Rent	\$ 36,000.00	
	Equipment rental (copier)	\$ 4,800.00	
	Utilities	\$ 2,400.00	
	Sub Total Other	\$ -	\$ 26,100.00
	Total		\$ 309,543.00

Exhibit B-3 Budget, Amendment 1  
 Elliott Health System  
 SS-2020-DMS-01-MATER-01-A01

Contractor Initials  
 Date

AA  
 5-7-21

New Hampshire Department of Health and Human Services



## Exhibit I

# HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT BUSINESS ASSOCIATE AGREEMENT

The Contractor 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 Contractor and subcontractors and agents of the Contractor 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, Title XIII, 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.

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Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
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Exhibit I

- 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

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Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
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Exhibit I

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:

- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
- o The unauthorized person used the protected health information or to whom the disclosure was made;
- o Whether the protected health information was actually acquired or viewed
- o 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 (I). 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

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Contractor Initials

Date 5.5.21

## New Hampshire Department of Health and Human Services



## Exhibit I

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

3/20/14

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## New Hampshire Department of Health and Human Services



## Exhibit I

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.

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Exhibit I  
Health Insurance Portability Act  
Business Associate Agreement  
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Contractor Initials

Date 5-5-21

## New Hampshire Department of Health and Human Services



## Exhibit I

- 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

The State of New Hampshire

Henry D. Lipman

Signature of Authorized Representative

Henry D. Lipman

Name of Authorized Representative

Medicaid Director

Title of Authorized Representative

5/18/2021

Date

Elliot Health System

Name of the Contractor

[Signature]

Signature of Authorized Representative

W. Gregory Baxter, MD

Name of Authorized Representative

President

Title of Authorized Representative

5-17-2021

Date

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9 MAY



Kerrin A. Rounds  
Acting Commissioner

Henry D. Lipman  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF MEDICAID SERVICES

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9422 1-800-852-3345 Ext. 9422  
Fax: 603-271-8431 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

January 31, 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 of Medicaid Services, to enter into a **sole source** agreement with Elliot Health System (Vendor #174360), One Elliot Way, Manchester, NH, 03103, to develop and implement the Maternal Opioid Misuse (MOM) Model, in an amount not to exceed \$619,086, effective upon Governor and Executive Council approval, through December 31, 2024. 100% Federal Funds.

Funds are available in the following account for State Fiscal Years 2020 and 2021 with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified.

**05-95-47-470010-1371 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: OFF. OF MEDICAID & BUS. POLICY, MATERNAL OPIOID MISUSE MODEL**

State Fiscal Year	Class/Account	Class Title	Job Number	Amount
2020	102/500731	Contracts for Program Services	47000063	\$309,543
2021	102/500731	Contracts for Program Services	47000063	\$309,543
			<b>Total</b>	<b>\$619,086</b>

**EXPLANATION**

This request is **sole source** because the Department in consultation with the greater Manchester provider community believes that Elliot Health System (Elliot) is the optimal community care partner to assist the Department in developing and testing a new Maternal Opioid Misuse (MOM) Model. The MOM Model is designed to increase access to health care and social services for pregnant and post-partum women with Opioid Use Disorder (OUD) and their infants. Elliot manages most of the Neonatal Intensive Care Unit stays related to neonatal abstinence syndrome in the greater Manchester area and has an expansive health delivery network within the region. The MOM Model is funded by a grant through the Innovations Center at the Centers for Medicare and Medicaid Services (CMS).

His Excellency, Governor Christopher T. Sununu  
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Last year, CMS posted two (2), five (5) year grant opportunities related to at-risk populations. The MOM Model noted above addresses pregnant and post-partum women with OUD and their infants. The Integrated Care for Kids (InCK) Model focused on physical and mental health integration for children. CMS required a State to be the applicant when competing for both grants simultaneously. The providers in the greater Manchester community were interested in both grants and approached the Department to apply. The Department applied for both grants, however only the MOM Model grant funding was awarded.

The Manchester provider community was concerned the impact of the opioid situation was reaching a point in calendar year 2019 where the community was close to capacity in being able to effectively treat individuals with OUD, and there was particular concern around pregnant and post-partum mothers and their infants born exposed to substance use. Only sixty-two percent (62%) of all pregnant women in Manchester seek prenatal care during their first trimester. Women who misuse opioids during pregnancy place themselves and their infants at greater risk of health complications.

As part of the MOM Model grant application process, CMS required states to name a community care partner with significant experience providing health care services to pregnant and perinatal women with OUD and their infants, and that can provide an expansive health delivery network within the selected community. As noted previously, in consultation with the provider community in Greater Manchester, the Department selected Elliot as the care partner for the MOM Model. The Department worked collaboratively with Elliot and other community-based partners in Manchester to prepare and submit a competitive application for grant funding that CMS awarded to the Department.

The purpose of this request is for the Department to work in partnership with Elliot to provide a Care Delivery System to develop and implement the CMS MOM Model. The MOM Model requires one (1) year of intensive community planning to prepare for the implementation of strategies to test whether Medicaid payments that support evidence-based coordinated care delivery for pregnant and postpartum women with OUD and their infants can improve quality of care and reduce costs.

Approximately 250 to 300 women will be served annually, beginning in State Fiscal Year 2021, in the Greater Manchester Area.

CMS, through the five (5) year grant award, intends to support the MOM Model for five (5) years. The scope of this request is for pre-implementation planning and design in Year One (1) of the MOM Model. During the initial period, the Department and Elliot will engage in community planning to address structural barriers and expand infrastructure to support better-coordinated care.

The Department intends to amend this agreement in subsequent grant years (i.e., years two (2) through five (5) of the contract period), upon receipt and acceptance of additional federal funds and as the project transitions to implementation of direct services. Future activities that will improve quality of care for the mother-infant dyad include wraparound care coordination, engagement for hard to reach participants and referral activities.

The Contractor, with its community partners, will engage in community planning to meet the needs of all Medicaid-eligible women with OUD in the Greater Manchester Community who are pregnant, may become pregnant and/or are postpartum, and their infants through the MOM Model. The final number of individuals to be served in the Implementation period of the MOM Model will be determined within Year One (1) of pre-implementation. However, in the months of July through December 2018, nearly six percent (6%) of births in the Greater Manchester region had documentation of either opioid exposure or monitoring for withdrawal or neonatal abstinence syndrome. The rate during this same time across the rest of New Hampshire was four and a half percent (4.5%). Almost thirty percent (30%) of New Hampshire births with exposure or concern of opioids occurred at hospitals within Manchester.

The Contractor will provide leadership and administrative support, as a Care Delivery Partner, to providers in the Greater Manchester area to create a system of care for pregnant and postpartum women with OUD and their infants. The MOM Model will test whether payments that support evidence-based, coordinated care delivery for pregnant and postpartum women with OUD and their infants can reduce

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
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costs to Medicaid. New Hampshire estimates modest savings during the contract period, but estimates that there will be additional savings beyond the five (5) year contract period. By avoiding neonatal abstinence syndrome and other health complications, the Department expects large health and behavioral health savings over the life course of substance exposed infants. Savings may be substantial over eighteen (18) years of potential Medicaid enrollment.

The Department will monitor the effectiveness of the Contractor and the delivery of services under this agreement using the following measures and milestones:

- Contract Year One (1), Pre-Implementation Program Planning and Design, performance measures will be determined by the Department, based on federal technical assistance and requirements, and will be added to the agreement through a contract amendment as approved by the Governor and Executive Council. The Contractor will also assist the Department in completing documentation and meeting milestones regarding:
  - Care-delivery partners
  - Staffing and Clinical Delivery Site Information
  - Plan for potential CMS State Plan Amendments or Waivers
  - Final MOM Model Implementation Plan
- Contract Years Two (2) through Five (5), MOM Model Program Implementation, performance-based measures will be determined by the Department, based on federal technical assistance and requirements, and will be added to the agreement through a contract amendment as approved by the Governor and Executive Council, that may include:
  - Continuity of pharmacotherapy at delivery
  - Gains in Patient Activation Measure® (PAM) scores
  - Health-related social needs screening
  - Maternal engagement in OUD treatment
  - Postpartum care and family planning
  - Beneficiary screening for clinical depression and follow-up plan
  - Tobacco use screening and cessation intervention

Should the Governor and Executive Council not authorize this request, the Department would be unable to implement the MOM Model to improve the quality of care and improve health outcomes for pregnant and post-partum women with OUD and their infants, by avoiding neonatal abstinence syndrome and other complications. The Department expects significant savings over the life course of children affected by substance exposure. Savings may be substantial over eighteen (18) years of potential Medicaid enrollment. In addition, failure to implement the MOM Model will jeopardize federal grant funding awarded for this purpose.

Area served: Greater Manchester Area

Source of Funds: 100% Federal Funds from the Centers for Medicare and Medicaid Services, Maternal Opioid Misuse Model, Catalog of Federal Domestic Assistance (CFDA) #93.687, Federal Award Identification Number (FAIN) 2A2CMS331772.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'KAR', followed by a long horizontal line extending to the right.

Kerrin A. Rounds  
Acting Commissioner



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

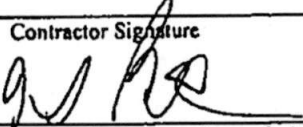
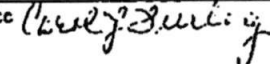
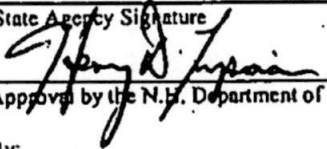

Subject: Maternal Opioid Misuse Model (SS-2020-DMS-01-MATER-01)

**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 Health System		1.4 Contractor Address One Elliot Way Manchester, NH 03103	
1.5 Contractor Phone Number 603-663-8905	1.6 Account Number 010-047-470010-13710000-102-500731	1.7 Completion Date December 31, 2024	1.8 Price Limitation \$619,086
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory W. Gregory Baxter, MD President	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>1/24/2020</u> , 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 		CAROL J. FURLONG Justice of the Peace - New Hampshire My Commission Expires March 23, 2021	
[Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Henry D. Lipman, M.D. Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: <u>1/28/20</u> Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  CATHERINE PINOS, Attorney On: <u>1/31/20</u>			
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

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 \$1,000,000 per 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.

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.

*ASB*

**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

**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 Department has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. For the purposes of this Agreement, the Department has identified the Contractor as a Subrecipient in accordance with 2 CFR 200.300.
- 1.4. The funding amount in Form P-37, Block 1.8, Price Limitation of this Agreement is allocated to Contract Year One (1) Scope of Work: Pre-Implementation Program Planning and Design, pursuant to Exhibit A, Scope of Services; Section 2.
- 1.5. Additional program services to be provided by the Contractor, as well as additional funding for Contract Years Two (2) through Five (5) shall be determined by the Department and will be added to this Agreement through contract amendments as approved by the Governor and Executive Council.
- 1.6. The Contractor shall work in collaboration with the Department as a Care Delivery partner to develop and implement the Maternal Opioid Misuse (MOM) Model to provide the opportunity for planning and implementation of strategies to test whether payments that support evidence-based, coordinated care delivery for pregnant and postpartum women with Opioid Use Disorder (OUD) and their infants, can improve quality of care and reduce Medicaid and Children's Health Insurance Program (CHIP) expenditures.
- 1.7. The Contractor, its staff, agents, providers, physicians and personnel; at all times; shall retain the right to exercise independent clinical judgment and to act in the best interest of patients seeking care under the MOM Model.

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**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

**2. Contract Year One (1) Scope of Work:  
Pre-Implementation Planning and Design**

- 2.1. The Contractor shall provide leadership and administrative support, as a Care Delivery Partner, to providers in the Greater Manchester area to create a system of care for pregnant and postpartum women with OUD and their infants.
- 2.2. The Contractor shall establish a Community-Based Advisory Executive Committee, in partnership with the Department, to ensure the ongoing planning and implementation efforts for a person-centered model, including development of workflows and standard approaches to care coordination.
- 2.3. The Contractor must provide an all-inclusive listing of its subcontracts with participating community-based partners to the Department in Year One (1) of the contract period, which must include:
  - 2.3.1. Name(s) of Subcontractor(s);
  - 2.3.2. Method of Selection; and
  - 2.3.3. Period of Performance.
- 2.4. The Contractor shall work collaboratively with its community-based partners and the Department to plan for and implement evidence-based as well as best and promising practice models for the care of perinatal women, similar to models that include, but are not limited to:
  - 2.4.1. The Children and Recovering Mothers (CHARM) Collaborative of Burlington, Vermont.
  - 2.4.2. Horizons of North Carolina.
  - 2.4.3. Project Nurture of Oregon.
- 2.5. The Contractor shall collaborate with participating community-based partners to plan for clinical and support services for perinatal women with OUD.
- 2.6. The Contractor shall, in partnership with the Department, implement the Comprehensive Core Standardized Assessment (CCSA) community-wide for perinatal women with OUD.
- 2.7. The Contractor shall utilize the CCSA to develop individualized care plans to be utilized by care teams to guide treatment and care management of pregnant and postpartum women and their infants, ensuring assessment domains include, but are not limited to:
  - 2.7.1. Demographics.
  - 2.7.2. Medical.
  - 2.7.3. Substance use.
  - 2.7.4. Housing.

Elliot Health System

Exhibit A

Contractor Initials

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SS-2020-DMS-01-MATER-01  
Rev.09/06/18

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Date 1-24-20



**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

- 2.7.5. Family and support services.
- 2.7.6. Education.
- 2.7.7. Employment and access to public assistance services including, but not limited to cash assistance.
- 2.7.8. Legal.
- 2.7.9. Risk assessment including suicide risk.
- 2.7.10. Functional status including activities of daily living, instrumental activities of daily living and cognitive functioning.
- 2.8. The Contractor shall build, adapt, develop or determine Health Information Technology (HIT) or other feasible data infrastructure to support data collection, data linkages and information sharing among community partners, as required by the MOM Model.
- 2.9. The Contractor shall develop an Outreach Plan to conduct outreach to enrolled beneficiaries, and must submit the plan to the Department for approval. Enrolled beneficiaries may include, but are not limited to, individuals who:
  - 2.9.1. Are disengaged from care.
  - 2.9.2. Have not received a physical in a given calendar month.
  - 2.9.3. Have not received behavioral healthcare service in a given calendar month.
- 2.10. The Contractor shall ensure a Community Health Worker or Recovery Coach is stationed centrally on site or within a participating community partner organization to implement the Department-approved Outreach Plan in 2.8 above. The Community Health Worker or Recovery Coach shall:
  - 2.10.1. Work in the community to identify pregnant women with OUD.
  - 2.10.2. Assist the identified women with engaging in treatment for both prenatal care and OUD.
  - 2.10.3. Ensure identified women remain engaged with services throughout their pregnancy and into their postpartum period as well as engaged in care for their infants.
- 2.11. The Contractor and its staff shall participate in the CMS MOM Model learning system events and mandatory evaluation over the full duration of the contract period, which may include, but is not limited to:
  - 2.11.1. Arranging site visits.
  - 2.11.2. Observations.
  - 2.11.3. Interviews and focus groups with providers and patients as well as program staff.

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**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

- 
- 2.12. The Contractor shall ensure all participating community-based partners, their staffs, and all patients upon receiving patient content, participate in the CMS MOM Model learning system events and mandatory evaluation over the full duration of the contract period, which may include, but is not limited to:
- 2.12.1. Arranging site visits.
  - 2.12.2. Observations.
  - 2.12.3. Interviews and focus groups with providers and patients as well as program staff.
- 2.13. The Contractor shall provide timely responses, participation and cooperation to requests for data from the Department related to beneficiary contacts, in response to CMS program audits, for the duration of the contract period.
- 2.14. The Contractor shall, if needed, apply for Institutional Review Board (IRB) approval and obtain any other necessary permissions for evaluation activities, data collection, and data sharing and submission, as necessary.
- 2.15. The Contractor shall develop a report to reflect all disbursements of funds to community-based partners, as well as develop a schedule in collaboration with the Department of mutually agreed-upon intervals said reports shall be submitted to the Department.
- 2.16. The Contractor shall ensure staffing includes, but is not limited to:
- 2.16.1. A Program Director to perform duties that include, but are not limited to:
    - 2.16.1.1. Develop and maintain partnerships with all participating community-based partner organizations.
    - 2.16.1.2. Develop and coordinate a Community-Based Advisory Executive Committee.
    - 2.16.1.3. Ensure all administrative tasks required under this Agreement are met.
  - 2.16.2. A Project Analyst to assist with administrative functions required under this Agreement.
  - 2.16.3. A Community Health Worker or Recovery Coach stationed centrally on site or within a participating community-based partner organization.
  - 2.16.4. A Medication Assisted Treatment (MAT) Care Coordinator to engage and support patients receiving MAT, stationed on site or within a participating community-based partner organization.

A handwritten signature in black ink, appearing to be "J. Smith", is written over the "Contractor Initials" label.



**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

**3. Contract Years Two (2) through Five (5) Scope of Work:  
MOM Model Program Implementation**

- 3.1. The Contractor shall coordinate meetings of the Community-Based Advisory Executive Committee, established in Year One (1) of the contract period, to ensure ongoing planning and implementation efforts for a person-centered model which includes, but are not limited to:
  - 3.1.1. The development of workflows.
  - 3.1.2. Standard approaches to care coordination.
- 3.2. The Contractor shall assist its participating community partners with implementing a community-based continuum of care for pregnant and postpartum women, and infants affected by substance use and OUD, ensuring the continuum of care includes, but is not limited to:
  - 3.2.1. Enhanced case findings of pregnant women and women at risk of pregnancy with OUD.
  - 3.2.2. Comprehensive and integrated perinatal and OUD care.
  - 3.2.3. Effective data sharing and coordination of care with community-based supports.
  - 3.2.4. Trauma informed social supports for pregnant women as well as postpartum women and their infants.
- 3.3. The Contractor shall enroll patients in the MOM Model beginning in Year Two (2) of the contract period, and shall continue enrolling patients in Years Three (3) through Five (5) of the contract period.
- 3.4. The Contractor shall implement the CCSA community-wide for perinatal women with OUD.
- 3.5. The Contractor shall utilize the CCSA process as the basis to develop individualized care plans.
- 3.6. The Contractor care teams shall utilize the individualized care plans to guide the treatment and management of the target population in 2.1.
- 3.7. The Contractor shall monitor its subcontracted participating community-based partners to ensure compliance with MOM model requirements.
- 3.8. The Contractor shall conduct outreach to enrolled beneficiaries who are disengaged from care, in accordance with the Department-approved Outreach Plan in 2.8 above, which may include but is not limited to beneficiaries who have not received a physical or behavioral healthcare service in a given calendar month.

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**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

- 3.9. The Contractor shall develop and submit reports reflecting any disbursement of funds to community-based providers to the Department at mutually agreed upon intervals.
- 3.10. The Contractor shall develop and submit quarterly and annual aggregate reports of MOM-Model enrolled beneficiaries to the Department, upon receipt of appropriate patient consent, applicable State and Federal laws and regulations and technological capabilities. The Contractor shall ensure aggregate data includes, but is not limited to:
  - 3.10.1. Gains in Patient Activation Scores.
  - 3.10.2. Health-related Social Needs Screening.
  - 3.10.3. Postpartum follow up.
  - 3.10.4. Initiation and engagement in OUD treatment; and continuity of pharmacotherapy at delivery.
- 3.11. The Contractor shall assist the Department with responding to the Center for Medicare & Medicaid Innovation (CMMI) findings for quality improvement purposes based on both Operational Milestones and Performance Milestones.
- 3.12. The Contractor shall cooperate with the Center for Medicare & Medicaid Services (CMS) subcontractor(s)' annual provider surveys and practice audits.
- 3.13. The Contractor shall provide additional MOM Model Program Implementation services in Years Two (2) through Five (5) of the contract period as determined by the parties and added to this Agreement through a contract amendment, as approved by Governor and Executive Council.

**4. Data Sharing**

- 4.1. The Contractor shall not collect, receive, store, or manage confidential data related to the scope of work and deliverables identified in this Exhibit A unless or until the parties have agreed in writing to a Data Sharing Plan that must include:
  - 4.1.1. The purpose of the data exchange;
  - 4.1.2. A description of the Department data elements to be disclosed, including:
    - 4.1.2.1. Source or Systems of Records;
    - 4.1.2.2. Number of Records Involved and Operational Time Factors;
    - 4.1.2.3. Data Elements Involved; and
    - 4.1.2.4. Reporting and Secure Transmission of Confidential Data.

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**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

- 4.1.3. A description of the Contractor data elements to be disclosed; and
- 4.1.4. The responsibilities of both parties regarding the exchange of data.
- 4.2. The Contractor shall execute the Data Sharing Plan in a timely manner so as not to impede the scope of work and deliverables identified in this Exhibit A.
- 4.3. The Contractor agrees to modify the Data Sharing Plan in writing as necessary, due to any changes to the scope of work and deliverables identified in this Exhibit A.
- 4.4. The Contractor shall comply with the terms of Exhibit K, DHHS Information Security Requirements, attached hereto and incorporated by reference herein.

**5. Deliverables and Reporting**

- 5.1. The Contractor shall submit a copy of its Substance Use Disorder (SUD) patient consent form, required for the sharing of all substance use information, to the Department within thirty (30) days of the contract effective date.
- 5.2. The Contractor shall develop, in collaboration with the Department, program implementation performance-based measures and benchmarks within sixty (60) days of the contract effective date.
- 5.3. The Contractor shall, in Year One (1) of the contract period, submit a proposed Outreach Plan to the Department for approval, in accordance with Subsection 2.9 above.
- 5.4. The Contractor shall, in Year One (1) of the contract period, submit an all-inclusive listing of its subcontracts with participating community-based partners to the Department, in accordance with Subsection 2.3 above, at an agreed-upon timeframe to be determined by the parties.
- 5.5. The Contractor shall, in Years One (1) through Five (5) of the contract period, submit monthly data reports of MOM Model enrolled beneficiaries, in accordance with Subsection 3.10 above, to the Department, no later than the last day of each month or the next business day if the last day of the month is on a weekend or holiday, and annually by the last day of the year, or the next business day if the last day of the year is on a weekend. The reports shall include but are not limited to:
  - 5.5.1. Engaged beneficiaries.
  - 5.5.2. Patients seen by care providers in the past month.
- 5.6. The Contractor shall, in Years One (1) through Five (5) of the contract period, submit reports reflecting all disbursements of funds to participating community-based partners to the Department, in accordance with Subsection 2.15.

**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

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- 5.7. The Contractor shall, in Years One (1) through Five (5) of the contract period, submit monthly data reports to the Department no later than the last day of each month, or the next business day if the last day of the month is on a weekend or holiday, that must include but is not limited to:
- 5.7.1. Budget status.
  - 5.7.2. Operational Milestones.
- 5.8. The Contractor shall, in Years One (1) through Five (5) of the contract period, develop and submit additional reports, as determined and required by Department, relative to the MOM Model.
- 5.9. The Contractor shall, in Years Two (2) through Five (5) of the contract period, submit quarterly and annual aggregate data reports of MOM Model enrolled beneficiaries, in accordance with Subsection 3.10 above, to the Department no later than the last day of each quarter, or the next business day if the last day of the quarter is on a weekend or holiday; and annually by the last day of the year, or the next business day if the last day of the year is on a weekend.
- 5.10. The Contractor shall, in Years Two (2) through Five (5) of the contract period, submit monthly data reports to the Department by the last day of each month, or the next business day if the last day of the month is on a weekend or holiday, that must include, but is not limited to:
- 5.10.1. Care-delivery partner engagement.
  - 5.10.2. Staffing.
  - 5.10.3. Clinical delivery sites.
  - 5.10.4. Budget status.
  - 5.10.5. Operational Milestones.

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**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit A**

**6. Performance Measures**

**6.1. Contract Year One (1):**

- 6.1.1. Pre-Implementation Program Planning and Design performance measures determined by the Department, based on federal technical assistance and requirements, shall be added to this agreement through a contract amendment as approved by the Governor and Executive Council.

**6.2. Contract Years Two (2) through Five (5):**

- 6.2.1. MOM Model Program Implementation performance-based measures determined by the Department, based on federal technical assistance and requirements, shall be added to this Agreement through a contract amendment as approved by the Governor and Executive Council. Performance measures and milestones may include, but are not limited to:

- 6.2.1.1. Continuity of pharmacotherapy at delivery.
- 6.2.1.2. Gains in Patient Activation Measure® (PAM) scores.
- 6.2.1.3. Health-related social needs screening.
- 6.2.1.4. Maternal engagement in OUD treatment.
- 6.2.1.5. Postpartum care and family planning.
- 6.2.1.6. Beneficiary screening for clinical depression and follow-up plan.
- 6.2.1.7. Tobacco use screening and cessation intervention.

*Abb*

1-24-20

**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit B**

**Method and Conditions Precedent to Payment**

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 pursuant to Exhibit A, Scope of Services.
2. This Agreement is funded with federal funds from the Centers for Medicare and Medicaid Services (CMS), Center for Medicare and Medicaid Innovation, Maternal Opioid Misuse Model, Catalog of Federal Domestic Assistance (CFDA) #93.687, Federal Award Identification Number (FAIN) 2A2CMS331772.
3. The Contractor agrees to provide the services in Exhibit A, Scope of Service, in compliance with funding requirements.
4. The Contractor agrees that additional funding for Years Two (2) through Five (5) of the contract period shall be determined by the Department, and is contingent upon the Department receiving Federal Notices of Award. Additional funds shall be added to this agreement through contract amendments requiring Governor and Executive Council approval.
5. The Contractor shall utilize a maximum of \$66,361 of the total allocated funding in Year One (1) of the contract period to fund its participating community-based subcontractors, contingent upon the Department receiving notification of all community-based subcontractors, which must include:
  - 5.1. Name of Subcontractor(s);
  - 5.2. Method of Selection; and
  - 5.3. Period of Performance.
6. The funded Contractor's current and future funding is contingent upon the Contractor providing the services, and meeting all deliverables, as specified in Exhibit A, Scope of Services.
7. Payment for said services shall be made as follows:
  - 7.1. Payment is contingent upon current and future funding by the Department, received through Federal Notices of Award.
  - 7.2. 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 budget line items in Exhibit B-1, Budget and Exhibit B-2, Budget.
  - 7.3. The Contractor shall submit the first (1<sup>st</sup>) invoice no later than ninety (90) days after the contract effective date, in a form satisfactory to the State, which identifies budget line items, dates of service, description of services and associated costs. In addition, the Contractor shall attach supporting

*[Handwritten Signature]*

*1-24-20*

**New Hampshire Department of Health and Human Services  
Maternal Opioid Misuse Model**



**Exhibit B**

- documentation for each budget-line item costs incurred in the first ninety (90) days of the contract period.
- 7.4. Upon submission of the first (1<sup>st</sup>) invoice in 7.2, the Contractor shall submit monthly invoices in a form satisfactory to the State no later than the twentieth (20<sup>th</sup>) working day of each month, which identifies budget line items, dates of service, description of services and associated costs. In addition, the Contractor shall attach supporting documentation to each invoice for each budget-line item costs incurred in the prior month.
  - 7.5. The Contractor shall ensure each invoice is completed, signed, dated and returned to the Department in order to initiate payment.
  - 7.6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to Department approval, and if sufficient funds are available.
  - 7.7. The Contractor shall keep detailed records of their activities related to Department-funded programs and services and have records available for Department review, as requested.
  - 7.8. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. Invoices must be mailed to:
- Financial Administrator  
Division of Medicaid Services  
Department of Health and Human Services  
129 Pleasant Street.  
Concord, NH 03301
9. Payment may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.
  10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
  11. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

Elliot Health System

Exhibit B

Contractor Initials

*AB*

SS-2020-DMS-01-MATER-01

Page 2 of 2

Date 1.24.20

Rev. 01/08/19



**Exhibit B-1, Budget****Maternal Opioid Misuse Model  
Operating Budget**

Period: Jan 1, 2020 to June 30, 2020 (State Fiscal Year 2020)						
Line Item	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. Total Salary/Wages (Clinic)	\$ 52,854					\$ 52,854
2. Employee Benefits	\$ 14,799					\$ 14,799
3. Project Administration & Collaboration						\$ -
4. IT Infrastructure	\$ 201,250					\$ 201,250
EHR Build and Reporting	\$ 131,500					\$ 131,500
IT Hardware	\$ 7,500					\$ 7,500
IT Infrastructure	\$ 2,250					\$ 2,250
Data Sharing	\$ 60,000					\$ 60,000
5. Vouchers						\$ -
Transportation						\$ -
Child Care						\$ -
6. Staff Education and Training						\$ -
7. Travel	\$ 2,500					\$ 2,500
8. Occupancy	\$ 10,000					\$ 10,000
Sub Total	\$ 281,403	\$ -	\$ -	\$ -	\$ -	\$ 281,403
9. Contingency @ 10%	\$ 28,140					\$ 28,140
TOTAL	\$ 309,543	\$ -	\$ -	\$ -	\$ -	\$ 309,543

Exhibit B-1, Budget  
 Elliot Health System  
 SS-2020-DMS-01-MATER-01

Contractor Initials

Date 1-24-20

## Exhibit B-2, Budget

### Maternal Opioid Misuse Model Operating Budget

Period: Jul 1, 2020 to Dec 31, 2020 (State Fiscal Year 2021)						
Line Item	Year 1	Year 2	Year 3	Year 4	Year 5	Total
1. Total Salary/Wages (Clinic)	\$ 52,854					\$ 52,854
2. Employee Benefits	\$ 14,799					\$ 14,799
3. Project Administration & Collaboration						\$ -
4. IT Infrastructure	\$ 201,250					\$ 201,250
EHR Build and Reporting	\$ 131,500					\$ 131,500
IT Hardware	\$ 7,500					\$ 7,500
IT Infrastructure	\$ 2,250					\$ 2,250
Data Sharing	\$ 60,000					\$ 60,000
5. Vouchers						\$ -
Transportation						\$ -
Child Care						\$ -
6. Staff Education and Training						\$ -
7. Travel	\$ 2,500					\$ 2,500
8. Occupancy	\$ 10,000					\$ 10,000
Sub Total	\$ 281,403	\$ -	\$ -	\$ -	\$ -	\$ 281,403
9. Contingency @ 10%	\$ 28,140					\$ 28,140
<b>TOTAL</b>	<b>\$ 309,543</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 309,543</b>

Exhibit B-2, Budget  
Elliot Health System  
SS-2020-DMS-01-MATER-01

Contractor Initials

Date 1.24.20

New Hampshire Department of Health and Human Services  
Exhibit C



**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;

Exhibit C – Special Provisions

Contractor Initials

Date 1-24-20

**New Hampshire Department of Health and Human Services  
Exhibit C**



- 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.

Exhibit C – Special Provisions

Contractor Initials

*[Signature]*

**New Hampshire Department of Health and Human Services  
Exhibit C**



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

Exhibit C – Special Provisions

Contractor Initials

Date 1.24.20



New Hampshire Department of Health and Human Services  
Exhibit C



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

Exhibit C – Special Provisions

Contractor Initials

Date

*[Signature]*  
1.2.20

New Hampshire Department of Health and Human Services  
Exhibit C



- 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. 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.

*Handwritten signature/initials*



New Hampshire Department of Health and Human Services  
Exhibit C-1



**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 effected 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, and the Contractor shall have the right to cease all work under the Agreement. The State shall notify the Contractor of such reduction, termination or modification. The State shall have the right to reduce, terminate or modify services under this Agreement. At no time will the Contractor be expected to perform any obligations under this Agreement that will not be reimbursed by funding made available to the State for this purpose. 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 I, HEALTH INSURANCE PORTABILITY ACT BUSINESS ASSOCIATE AGREEMENT, is not applicable. Should the State determine Exhibit I is applicable at any time, the Contractor agrees to execute Exhibit I for inclusion in this Agreement through a contract amendment as approved by the Governor and Executive Council.

Exhibit C-1

Revisions/Exceptions to Standard Contract Language  
Page 1 of 1

Contractor Initials

*[Signature]*

Date 1.24.20

New Hampshire Department of Health and Human Services  
Exhibit D



**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 GRANTEEES 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

New Hampshire Department of Health and Human Services  
Exhibit D




- 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.

1-24-20  
Date

Vendor Name

  
Name: W. Gregory Baxter, MD  
Title: President

Vendor Initials

  
Date 1-24-20

New Hampshire Department of Health and Human Services  
Exhibit E



**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-1.)
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:

  
Name: W. Gregory Baxter, MD  
Title: President

1-24-20  
Date

Exhibit E - Certification Regarding Lobbying

Vendor Initials

  
Date 1-24-20

New Hampshire Department of Health and Human Services  
Exhibit F



**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



New Hampshire Department of Health and Human Services  
Exhibit F



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 (1)(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:

1-24-20  
Date

  
Name: W. Gregory Baxton  
Title: President

Vendor Initials

  
Date 1-24-20

New Hampshire Department of Health and Human Services  
Exhibit G



**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.

Exhibit G

Vendor Initials

*MSB*

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower Protections



New Hampshire Department of Health and Human Services  
Exhibit G



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.

1-24-20  
Date

Vendor Name:

A handwritten signature in black ink, appearing to read "W. Gregory Boxer".

Name: W. Gregory Boxer, MD  
Title: President

Exhibit G

Vendor Initials

Handwritten initials "WGB" in black ink.

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

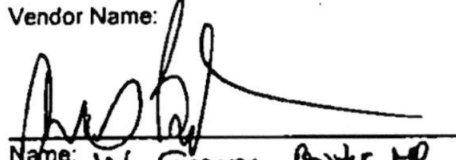
New Hampshire Department of Health and Human Services  
Exhibit HCERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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:

1-24-20  
Date  
Name: W. Gregory Baxter, MD  
Title: President

Vendor Initials

Date 1-24-20

New Hampshire Department of Health and Human Services



Exhibit I

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**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

Date

*[Signature]*  
1.24.20

New Hampshire Department of Health and Human Services  
Exhibit J



**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.

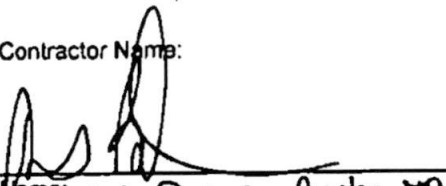
Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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.

1-24-20  
Date

Contractor Name:

  
Name: W. Gregory Baxter, MD  
Title: President

New Hampshire Department of Health and Human Services  
Exhibit J



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: 073991085
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: _____

ndb

1-24-20

## New Hampshire Department of Health and Human Services

### Exhibit K

#### DHHS INFORMATION SECURITY REQUIREMENTS

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#### I. 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 as "Computer Security Incident" in Section 2.1 of NIST Publication 800-61 Rev. 2, Computer Security Incident Handling Guide.
3. "Confidential Information" or "Confidential Data" means all information owned, managed, created, received from, or on behalf of, the Department of Health and Human Services (DHHS) that is protected by information security, privacy or confidentiality rules and state and federal laws. This information includes but is not limited to Derivative Data, Protected Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Administration, and Criminal Justice Information Services (CJIS) data.
4. "Derivative Data" means data or information based on or created from Confidential Data.
5. "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.
6. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
7. "Incident" means an act that potentially violates an explicit or implied 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.
8. "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

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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 or Confidential Data.

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. "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.
11. "Virtual Private Network" (VPN) shall mean network technology that creates a secure private connection between the device and endpoint; hiding IP address and encrypting all data in motion.

## II. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

### A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit DHHS Confidential Information except as required or permitted as outlined under this Contract and to carry out its obligations hereunder or as required by law.
2. The Contractor must not disclose any DHHS Confidential Information in connection with this Agreement 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 unless a subpoena requires such disclosure.
3. The Contractor agrees that DHHS Confidential Data or derivative therefrom disclosed to an End User must only be used pursuant to the terms of this Contract.
4. The Contractor agrees to provide to the authorized representative of the State of New Hampshire minimal necessary physical and logical process procedures, systems documents, and logs, specifically related to DHHS Confidential data, where possible, for the purpose of validating HIPAA/HITRUST/NIST controls to confirm compliance with the terms of this Contract.

## III. 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 cybersecurity and that said application's encryption capabilities ensure secure transmission via the internet. Contractor will encrypt DHHS confidential data, when practical, throughout the data lifecycle while within EHS's network when using, storing, transmitting, and sharing DHHS confidential data within the terms of



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DHHS INFORMATION SECURITY REQUIREMENTS



this agreement with any applicable End User.

2. Encrypted Email. Contractor may only employ email to transmit Confidential Data if email is protected using encryption protection and being sent to and being received by email addresses of persons authorized to receive such information.
3. Encrypted Website. If Contractor is employing the Web to transmit DHHS Confidential Data, the secure socket layers (SSL) must be used and the website must be secure (SSL encrypts data transmitted via a website).
4. File Hosting Services, also known as File Sharing Sites. Contractor may not use personal, unmanaged, and unprotected file hosting services, such as Dropbox or Google Cloud Storage, to transmit DHHS Confidential Data, without written exception from DHHS Information Security.
5. Ground Mail Service. Contractor may only transmit DHHS Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
6. Open Wireless Networks. Contractor may not transmit DHHS Confidential Data via an open wireless network unless employing a secure method of transmission or remote access, which complies with the terms and conditions of Exhibit K, such as a virtual private network (VPN).
7. Contractor will employ data protections and secure data management policies, processes, and technologies when handling, storing and transmitting DHHS Confidential Data, including during remote user communication, secure file transfer protocol, using wireless devices, and other file transfer mechanisms. Transport layer security protocol (TLS), as a standalone solution, may not be used to transmit Confidential Data without written exception from DHHS Information Security.

IV. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain DHHS Confidential Data and any derivative of DHHS Confidential Data for the duration of this Contract. After such time, the Contractor will have thirty (30) days to destroy DHHS Confidential Data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. If it is infeasible to return or destroy the Confidential Data, protections pursuant to Exhibit K survive this contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process DHHS Confidential Data or State of New Hampshire intellectual property collected or accessed in connection with the services rendered under this Contract outside of the United States without written exception from DHHS Information Security. 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.

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## Exhibit K

## DHHS INFORMATION SECURITY REQUIREMENTS

2. The Contractor agrees NH DHHS Confidential Data will not be stored on personal devices.
3. The Contractor agrees to ensure security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or DHHS Confidential Information for contractor provided systems accessed or utilized for purposes of carrying out this contract.
4. The Contractor agrees to provide or require security awareness and education for/of its End Users in support of protecting DHHS Confidential Information.
5. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified herein.
6. The Contractor agrees Federal Confidential Data, identified as such to the contractor, stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding privacy and security. The Contractor agrees DHHS Confidential must follow the HIPAA Security Rule, Privacy Rule, and HIPAA Cloud Computing Guidance (<https://www.hhs.gov/hipaa/for-professionals/special-topics/cloud-computing/index.html>). All servers and devices must follow the hardening standards as outlined in NIST 800-123 (<https://nvlpubs.nist.gov/nistpubs/legacy/sp/nistspecialpublication800-123.pdf>). As well as current, updated, and maintained anti-malware utilities (e.g. anti-viral, anti-hacker, anti-spam, anti-spyware). The environment, as a whole, must have intrusion-detection services and intrusion protection services, as well as, firewall protection.
7. The Contractor agrees to work collaboratively with the State's Chief Information Security Officer (CISO) in the detection of any security vulnerability of the hosting infrastructure.

## B. Disposition

1. If the Contractor maintains DHHS Confidential Information on its systems in connection with this agreement (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 Confidential 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

## New Hampshire Department of Health and Human Services



## Exhibit K

## DHHS INFORMATION SECURITY REQUIREMENTS

will include all details necessary to demonstrate DHHS Confidential 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. In the event where the Contractor has comingled data and the destruction is not feasible the State and Contractor will jointly evaluate regulatory and professional standards for retention requirements prior to destruction.

2. Unless otherwise specified or otherwise deemed impracticable by Contractor within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of State of NH Confidential Data using a secure method such as shredding. Contractor must notify DHHS Information Security immediately upon determining destruction of DHHS hard copy Confidential Data, in connection with this agreement, is impracticable within said timeframe. The Contractor and DHHS Information Security will agree upon an acceptable timeframe for hard copy destruction. If it is agreed it is infeasible to return or destroy the Confidential Data within the agreed upon time period or at all, protections are extended to such information, in accordance with this Agreement.
3. Unless otherwise specified or otherwise deemed impracticable by Contractor within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic State of NH Confidential Data, in connection with this agreement, by means of data erasure, also known as secure data wiping. Contractor must notify DHHS Information Security immediately upon determining destruction of DHHS electronic Confidential Data is impracticable within said timeframe. The Contractor and DHHS Information Security will agree upon an acceptable timeframe for hard copy destruction. If it is agreed it is infeasible to return or destroy the Confidential Data within the agreed upon time period or at all, protections are extended to such information, in accordance with this Agreement.

**V. PROCEDURES FOR SECURITY**

- A. Contractor agrees to safeguard the DHHS Confidential Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain security controls to protect DHHS Confidential Information collected, processed, managed, and/or stored in the delivery of contracted services. If the Contractor has access to Confidential Information/Data, the Contractor agrees to follow the terms of the most recently executed Information Exchange Agreement (s) between DHHS and the federal agency regulating said data.
2. The Contractor will maintain policies and procedures to protect DHHS 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 authentication and access controls to contractor systems that collect, transmit, or store DHHS Confidential Information where applicable.

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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(s) 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 collaborate with DHHS to review, 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. Data Security Breach Liability. In the event of any incident, computer security incident, or breach, Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future incident, computer security incident or breach and minimize any damage or loss resulting from the incident, security incident, or breach. Should an incident, computer security incident, or breach be determined to have been caused by the Contractor and/or End User's negligent or willful failure to safeguard State of New Hampshire networks, systems or DHHS Confidential Data, then the State shall recover from the Contractor and/or End User all costs of response and recovery from the Incident, Computer Security Incident, or Breach.
8. Contractor must comply with all applicable state and federal regulations regulating to the privacy and security of DHHS Confidential Information, and safeguard DHHS Confidential Information at level consistent with the requirements applicable to state and federal agencies. Contractor agrees to establish and maintain administrative, technical, and physical safeguards to protect the confidentiality of DHHS Confidential Data and to prevent unauthorized use or access to it. The safeguards, in connection with DHHS data under this agreement, 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 consistent with the scope of the contract. Other than HIPAA/HIRTUST standards and regulations, NH DHHS will advise contractor and list standards that apply to the data defined in the subsequent data sharing language and/or document(s).
9. Contractor agrees to maintain a documented breach notification and incident response process.
10. Contractor agrees to use the minimum necessary Confidential Data in performance of this Contract.

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DHHS INFORMATION SECURITY REQUIREMENTS



11. 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.
12. The Contractor is responsible for ensuring that laptops and other electronic devices/media containing Confidential Information/Data are encrypted and password-protected.
13. The Contractor is responsible for End User oversight and compliance with the terms and conditions of the contract and this Security Requirements Exhibit.
14. The Contractor will collaborate with the DHHS to demonstrate compliance with the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time as the Confidential Information/Data is disposed of in accordance with this Contract.

**VII LOSS REPORTING**

The Contractor must notify the DHHS Security Office, and the Program Contact via the email address provided in Section VIII of this Exhibit, immediately upon the Contractor determining that a breach or security incident has occurred and that DHHS confidential Information/data may have been exposed or compromised.

The Contractor must comply with all applicable state and federal regulations regulating to the privacy and security of State of NH and DHHS Confidential information, and safeguard DHHS Confidential Information at level consistent with the requirements applicable to state and federal agencies. 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;
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and
6. Address and report Incidents, Computer Security Incidents, and/or Breaches that implicate Personal Information in accordance with NH RSA 359-C:20.

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DHHS INFORMATION SECURITY REQUIREMENTS

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VIII PERSONS TO CONTACT

1. DHHS contact for Information Security, Privacy and Data Management Issues:  
[DHHSInformationSecurityOffice@dhhs.nh.gov](mailto:DHHSInformationSecurityOffice@dhhs.nh.gov)
  
2. DHHS contact program and policy:  
[DHHS-Contracts@dhhs.nh.gov](mailto:DHHS-Contracts@dhhs.nh.gov)  
(In subject line insert RFP/Contract Name and Number)

Contractor Initials

A handwritten signature in black ink, appearing to be "P. B.", is written over the "Contractor Initials" label.

Date 1.24.20